-

Creando Oportunidades

Quarterly Periodic Report January - March 2024

Separate and Consolidated Report BBVA Colombia

Domicile: Carrera 9 #72-21
Bogotá, Colombia

Issuer's Current Values

Class of Value	Ordinary Shares	Preferred Shares
Trading System	Stock Exchange	Stock Exchange
Stock Exchanges	Bolsa de Valores de Colombia (BVC)	Bolsa de Valores de Colombia (BVC)
Outstanding Shares	13,907,929,071	479,760,000
Number of shareholders	64,834	290
Issuance Amount	13,907,929,071	479,760,000
Amount Placed	13,907,929,071	479,760,000

Features	Subordinated bonds				
Amount in millions	400	165,000	156,000	90,000	160,000
Class	Subordinated	Subordinated	Subordinated	Subordinated	Subordinated
Issue Date	April 21, 2015	February 19, 2013	September 19, 2011	November 26, 2014	November 26, 2014
Maturity Date	April 21, 2025	February 19, 2028	September 19, 2026	November 26, 2029	November 26, 2034
Term	10 years	15 years	15 years	15 years	20 years
Rate	4.88%	CPI + 3.89%	CPI + 4.70%	CPI + 4.38%	CPI + 4.50%
Interest Payment	SV	TV	TV	TV	TV
Capital Payment	Bullet, at maturity	Bullet, at maturity	Bullet, at maturity	Bullet, at maturity	Bullet, at maturity
Currency	USD	COP	COP	COP	COP

Features	Blue Bond (Ordinary)	Blue Bond (Ordinary)	Blue Bond (Ordinary)
Amount in millions	50	17	50
Class	Ordinary	Ordinary	Ordinary
Issue Date	September 22, 2023	October 25, 2023	October 27, 2023
Maturity Date	September 22, 2028	October 25, 2028	October 27, 2028
Term	5 years	5 years	5 years
Rate	SOFR 6 months + 1.85%	SOFR 6 months + 1.85%	SOFR 6 months + 1.85%
Interest Payment	SV	SV	SV
Capital Payment	Bullet, at maturity	Bullet, at maturity	Bullet, at maturity
Currency	USD	USD	USD

The blue bond issuance program is for 150 million, the remainder will be issued based on market appetite and investor demand.

Table of Contents

1. Economic Environment

The global economic recovery on hold until 2025

Income results continue to be determined by the still strict monetary conditions. The high interest rates from monetary policies, the increasingly marked liquidity cuts by the central banks of developed countries (especially in the United States), and the cautious advisories from the FED and the European Central Bank amid recent signs of global inflation are shaping economic activities. These monetary conditions have mostly affected the manufacturing sector, while spending and activity in the service branches continue to resist, even more so in the United States, where, furthermore, business and residential investment show no signs of significant deceleration. Nevertheless, the IRA Act (Inflation Reduction Act of 2022 in the United States) and the CHIPS Act (European Law in the semiconductor ecosystem) have bolstered certain manufacturing sectors, causing the activity moderation to be less severe across the industry.

In Europe, there are some signs of improvement in the manufacturing sector, although it remains in a recessionary phase. The main components contributing to the slowdown are exports and gross fixed capital formation. Additionally, public consumption has trailed the growth of internal demand, notably in Spain, while government investments remain subdued. Positive signals came mainly from Germany, where new orders increased due to wholesale orders, although the Gross Domestic Product of that economy remains the most lagging among the major countries. Regarding services, there are better prospects in Italy and Spain due to the good performance of the tourism sector. Lastly, wage indicators are at record highs and the vacancy rate remains elevated, though it is moderating. The main positive news in the Eurozone is the significant increase in gas reserves, limiting the effects on manufacturing and inflation.

In China, where the GDP reached 5.2% in 2023, the recovery is unbalanced as supply significantly outstrips demand, leading to a challenging deflationary environment amid a deep real estate adjustment. Therefore, the recovery lacks a solid foundation due to the deep adjustments in the real estate market and the over indebtedness of local governments, which continue to pose significant risks. Consequently, the sentiments of households and businesses have not fully rebounded. The main pillars of industrial production are green economy and high-end manufacturing sectors, such as electric vehicles, solar panels, lithium batteries, and smartphones. Retail sales are being limited by the high youth unemployment rate, the wage restraint campaign, and the wealth effect (partly due to declines in the real estate and stock markets) in the country. The housing investment is recovering slowly, and FDI inflows experienced a significant decline. Indeed, it is unlikely that Foreign Direct Investment will return to its levels from the 90s and 00s, even if cyclical factors become favorable once more.

Despite the high interest rates, the US industrial policy is helping boost the economy, particularly investments in climate change. The reason why this particular tightening cycle has not resulted in a significant slowdown is the high levels of excess savings of households. Furthermore, unlike previous recessions, when the first signal came from a decrease in investment, this sector did not decline in this cycle and helped to mitigate the prospects of the economy entering a recession imminently. In fact, residential investment has recently surged due to a shortage of supply, prompting the launch of new real estate projects.

This situation has slowed the pace of disinflation, which, coupled with geopolitical risks, has prompted central banks to maintain their caution. Meanwhile, the USD has recently strengthened following unexpectedly robust data (employment, GDP, productivity, and PMI indices) and a cautious stance from the Federal Reserve. Additionally, market expectations for aggressive monetary easing have diminished, with forecasts for the first U.S. rate cut now pushed from early to mid-year, and fewer reductions anticipated for 2024.

Despite uncertainty regarding the path of monetary policy and ongoing geopolitical tensions, financial volatility remains limited. The conflict in the Middle East is expanding geographically and increasing in intensity, involving more actors and fronts, but with limited economic effects so far. The disruptions in the Red Sea have caused some freight costs between East and West to rise, but their overall impact appears limited and, to some extent, temporary. However, the overall impact of these developments on the freight cost index is minimal and does not seem to be a significant reason to expect much higher inflationary pressures globally.

As a result, a less stressful path is anticipated for the VIX (which is a measure of financial volatility) due to positive macroeconomic data, the next monetary easing by the Federal Reserve, and the limited impact of the Middle East conflict. In time, capital flows to emerging markets, which have outperformed expectations, will be significantly high in the first quarter of 2024, then gradually decline. The latter is explained by the upward trend expected in the VIX throughout 2024, albeit starting from low levels, due to the US elections, geopolitical risks that may shift towards a greater impact, and some concern about banks' exposure to the real estate market.

On the other hand, recent geopolitical events have led to a downgrade in the forecast of expected energy prices. Oil prices this year will be close to the average levels of 2023 (which are lower than those at the end of the year) due to modest demand and increased supply from non-OPEC countries. Hence, prices are expected to decline despite geopolitical tensions. The price path of copper will take a different direction, as an upward trend is expected, which is fully explained by the evolution of the Chinese economy. Regarding forecasts for cereals, they are also revised downwards, in line with the appreciation of the US dollar and the ample inventory levels, but they remain at relatively high levels.

The recent data, better than expected in some developed economies, the decrease in the VIX, and the forecasts for commodities favor higher growth and lower inflation in Europe and China, and mixed results in the United States (more growth, but more inflation) and emerging economies more dependent on primary exports (less growth and less inflation). One of the closest determinants to inflation, especially in developed countries, is the expected behavior in nominal wages, which have shown clear signals that they are going to decelerate: they have peaked in the USA and it is likely that a slowdown will start in the Eurozone this year.

Some global growth recovery is expected from the second half of the year, driven by lower inflation and lower interest rates, but not in China, where structural deceleration factors are expected to prevail. However, the recovery of the Eurozone is likely to be weaker than expected. Overall, the world is expected to grow by 3.1% this year and 3.3% in 2025.

In the United States, the dynamism of demand and the strength of the labor market, which is moderating more gradually than expected, will sustain GDP growth for 2024 at 1.9%. Labor productivity, measured in terms of output per hour, has increased significantly, partially explaining the positive behavior of wages. Subsequently, in 2025, the GDP will expand by 2.3%, despite the exhaustion of households' excess savings. In Europe, the GDP transitions from stagnation to a modest recovery in 2024 (0.7%), gaining some momentum in 2025 (1.4%), but limited by the increased fiscal discipline expected from next year. The labor market resilience and employees' real income, the favorable moment of investment funds, and the easing of monetary policy continue to be the supporting factors for the mild recovery. In China, a GDP growth of 4.6% is expected in 2024 and 4.2% in 2025. The monetary and fiscal policy will continue to be expansionary to support the recovery, increasing the budget and the fiscal deficit. However, these measures are unlikely to prevent a structural slowdown in GDP growth.

Furthermore, it is expected that inflation will slow down even further in the future, as it is likely that service pressures will decrease, assuming no new supply disruptions arise. It would create the conditions for the Fed and the ECB to gradually reduce interest rates starting from the middle of this year. However, the strength of the labor market and the rigidity of the core CPI have supported the Federal Reserve's argument regarding the need for "more good data" to make decisions on lowering rates: "The last mile is the most challenging." In Europe, on the other hand, there is less upward pressure on energy prices and industrial goods. Services remain stagnant with downward rigidity, which is the uncertainty facing the ECB.

Inflation in the United States is anticipated to decrease from 3.4% in 2023 to 2.5% in 2024 and 2.4% in 2025, nearing but not yet meeting the Fed's 2.0% target. In the eurozone, inflation will experience an equivalent decrease, but starting and ending from lower levels, aligning with the ECB's target in 2025. In 2023, the inflation rate is expected to decrease from 2.9% to 2.5% in 2024 and further to 2.0% in 2025, as the decline in energy and industrial goods prices encounters the rigidity of service prices. In China, inflation, currently below zero, is expected to converge to 2% starting this year, thanks to the supportive policies, the normalization of pork prices, and the improvement of confidence.

Along these lines, the Fed's rate-cutting cycle is estimated to begin in May, with rate cuts of 100 basis points expected to occur throughout 2024. Regarding the ECB, the forecast of a 75 basis point cut remains in place for this year, starting in June, with liquidity cuts that will not entail significant disruptions in the financial market. However, the new cycle of rate cuts will bring them to levels higher than those in place before Covid. Geopolitics and other factors are likely to contribute to maintaining inflationary pressures, which requires higher interest rates.

Finally, the global scenario presents significant risks, particularly in terms of growth, inflation, and geopolitics. There could be new supply shocks and bottlenecks, and demand factors such as labor markets or fiscal policy that could fuel new inflationary processes. Geopolitics will significantly influence future economic dynamics, shaping global policies and conflicts, potentially increasing uncertainty and triggering supply disruptions. Combined with other factors, such as demographics and fiscal policy, these shocks will exert pressure on inflation, forcing central banks to keep official interest rates above pre-crisis levels. Particularly, in China, the risks in 2024 are focused on the real estate market, local government debt, deflation, and the decline in foreign investment. There are also some factors of low inflation, such as deflation in China, the impact of monetary policy, or the effect of artificial intelligence and digitalization. In short, productivity gains could, at least partially, dampen inflationary pressures.

Colombia: the recovery track will accelerate as 2024 progresses and in 2025

Economic growth in 2023 was 0.6%. Domestic demand declined, mainly due to lower investment; private consumption expanded slightly more than the Gross Domestic Product (1.1%); public spending compensated very little for the private deceleration (0.9%); and foreign trade positively contributed to growth thanks to the sharp drop in imports (-14.7%). Specifically, fixed investment, the internal component most affected by the slowdown, decreased by 8.9% in the year. The decline was widespread across all its main divisions, but most noticeable in the case of the purchase of machinery and equipment, which decreased by 16.2%. However, this sector of investment had experienced a high level and growth in 2022 (+30.3%) and maintained its relationship with respect to the Gross Domestic Product above pre-pandemic levels (8.3% in 2023 vs. 7.9% of the GDP in 2019). Despite the recent deceleration, the latter can be considered good news.

Construction, another important part of investment, experienced a significant decline, both in civil and non-residential works and in housing. The first, related to the execution of the public budget, decreased by 4.9% and the second by 1.2%. On this occasion, unlike previous slowdown cycles, the construction sector did not play a countercyclical role. Conversely, it moved in the same direction as the cycle and deepened the GDP downturn.

Another component of GDP that experienced a significant decline was inventories. Since the beginning of the new GDP series published by the DANE in 2005, there has been no such significant destocking as in the past year. It amounted to 2.5% of the Gross Domestic Product, which is larger than some sectors of the economy such as coffee, coal, textiles, or electricity and gas. The decline in inventories is associated with the reduced activity in the construction sector, both residential and non-residential. This behavior anticipates a decrease in the completion of residential and commercial constructions in 2024, with the implications this has on employment and demand for inputs in other sectors.

However, some recent indicators reflect that there is some optimism about the future prospects in the construction sector, at least in part of it. For instance, non-residential building permits increased in 2023, and the indicator of civil engineering production completed two consecutive quarters of growth at the end of last year. The housing market, on the other hand, still shows weak indicators and seems to suggest that its recovery will not occur until the end of 2024 and will only consolidate in 2025.

However, it was not only construction that determined the evolution of inventories. Another explanation comes from a positive perspective: there has been destocking in the manufacturing industry, which suggests a potential gradual acceleration of future activity, especially in the industrial sectors that produce consumer goods. The optimism in this data is complemented by the high utilization of installed capacity in the manufacturing sector, which will demand that investment in machinery and equipment does not decrease this year, but rather undergoes a slow recovery process.

Consumption and investment decisions will also be supported by the best financial conditions of the economy. The current and expected reduction in interest rates and inflation will represent a relief in the payment capacity of households and businesses. It is expected that inflation will end the year at 5.4%, thanks to a reduction in the increase of core prices (excluding food). This will be supported by the economic slowdown that started in 2022 and that, according to the estimates of BBVA Research, will continue until mid this year. However, factors such as the rental component, with recent accelerations, and the evolution of fuel prices, especially diesel, which could experience some increases this year, will continue to exert upward pressure. The prices of energy and the impact of climatic phenomena will also weigh on the inflation path, although they may be effects of a transitory nature that are reversed after the normalization of the climate. It is expected that as a result, inflation will continue to decline throughout 2025, reaching 3.8% by December.

The improved expected path for inflation, together with the expected performance of the economy, will give the Central Bank of Colombia the leeway to reduce its interest rates more forcefully than it has done so far. By the end of the year, the interest rate should stand at 7.00% and will continue to decrease to 5.50% by mid-2025. There will be a long period of stability. The expected rate means that financial costs will be higher than those in place before the pandemic, as Colombia, like the rest of the world, will not be able to have lower rates (at least in the coming years) due to the inflation risks that still persist and the increased upward pressure exerted by higher yields on global fixed assets.

Another one of the positive boosts that household spending will receive in 2024 will be the higher savings accumulated last year. The total savings of households reached a minimum of 12 trillion pesos in one year by mid-2022. In 2023, savings were closer to 70 trillion. The change in households' saving/spending decisions will be decisive for their purchases of durable goods, semi-durable goods, and housing in 2024. Indeed, it is expected that spending on goods, unlike what happened in 2023, when services were the fastest-growing sector, will once again drive private consumption behavior this year. With this, the argument is reinforced that the manufacturing industry and, therefore, the trade of goods, will experience a progressive recovery. These will be joined by the most significant industrial investment decisions towards the middle and end of the year.

However, there is a not insignificant brake on the recovery, limiting it over time: the labor market. It is expected that job creation will remain positive, but at a much slower pace than the rate at which the economy was growing in 2023. Furthermore, the new job created will have a higher level of informality. At the same time, households will increase their labor supply, accelerating the growth of labor force participation, something that typically occurs during economic moderation periods. As a result, the unemployment rate will increase this year and will only decrease modestly in 2025.

Overall, economic growth is expected to stand at 1.5% this year and accelerate to 2.8% in 2025. The speed of the recovery will be felt gradually increasing. In the first semester of 2024, the slowdown will be most noticeable, as household expenditure on services remains low, the recovery of consumption in goods is barely evident, industrialists will gradually begin to rebuild inventories, civil construction companies will finish projects left by previous mayors and governors, and entrepreneurs will be awaiting clearer signs of an upturn in activity before making major investment decisions.

Starting from the second semester, the improved performance of private spending will be more evident driven by better financial conditions, while housing purchases will begin to show clear signs of rebound and entrepreneurs will have more incentives to undertake new projects. Simultaneously, non-residential buildings will begin to show increased activity, driven by the low vacancy rates in all cities. This trend will continue until 2025, when, in addition, there will be increased public spending execution, especially by the new regional and local governments, which will already have approved development plans, with a clearer investment agenda, and better performance in the housing sector. This will boost the GDP not only due to the completion of the buildings, but also because of the increase in ongoing projects that will help reverse the low inventories observed in 2023.

The economic recovery will imply, indeed, an increase in the deficit in the current account, which was significantly reduced last year, from 6.2% of GDP in 2022 to 2.7% of GDP in 2023. A figure below 3.0% in the external deficit has not been seen since 2011 (2.9% of the Gross Domestic Product in that year). The majority of the adjustment in the external imbalance was explained by the drop in imports, which was 15.2%, an extremely low figure not seen since the pandemic, and, before that, since 2015 when they fell by 15.1%. The drop in domestic demand determined that behavior. Indeed, the low consumption of durable and semi-durable goods and the sharp decline in machinery investment (all of them, components with a high percentage of imports) were decisive for the final figure of imports. In 2024 and 2025, on the contrary, the recovery of these expenditure groups, combined with limited export performance due to global deceleration, will increase the expected external deficit to 3.4% of GDP in 2024 and 3.9% of GDP in 2025.

The fiscal deficit will also deteriorate in 2024 compared to the end of 2023. The lower expected revenues will not be offset by an equivalent drop in central national government spending. The deficit will increase from 4.3% of GDP last year to 5.2% of GDP this year. Then, in 2025, it will drop to 3.9% of the Gross Domestic Product (GDP). Compared to other emerging countries, Colombia stands out as one of those with the worst fiscal adjustment in the post-pandemic period, when many governments accelerated spending to address the social crisis, but now have more balanced fiscal accounts than Colombia. Therefore, public debt will continue to increase up to 60% of GDP in 2025.

The exchange rate, undoubtedly, is the variable that tends to absorb the impact of previous macroeconomic imbalances, with pressures towards depreciation throughout 2024 and 2025. It is clear that this pressure does not only come from imbalances, but also from the behavior of monetary policy. Colombia will reduce its interest rate differential with the United States, as the Central Bank of Colombia is already lowering interest rates and will accelerate this process shortly. On the contrary, the Fed will only begin to reduce its rates in May. In figures, we expect the exchange rate to average 4.326 this year and 4.237 in 2025.

Now, the recovery of the Colombian economy not only requires focusing on the short term but also considering long-term growth and its ability to improve social indicators in the future.

Within this timeframe, Colombia faces significant opportunities, but also substantial challenges that it will have to address.

Among the opportunities, with many tasks to be carried out, the following stand out: i.) the country's increased integration into global value chains will enable it to take advantage of nearshoring development; ii.) the great potential of sectors such as agriculture, with the required investments to promote it, offers ample room for country growth and development; and iii.) the country's geographical distribution, with several cities of relevant size forming geographical nodes in different regions of the country, allows for scaling investments focused on the various production and consumption centers.

And among the challenges, no less, that the economy will have to face, the following can be enumerated: i.) a higher real interest rate, not only in Colombia but globally, may limit the economy's recovery capacity, especially of investment; ii.) uncertainty surrounding social and economic reforms; iii.) macroeconomic imbalances and their implications on sovereign credit rating; iv.) global geopolitical conditions that may increase the perception of risk and global financial costs; v.) the lower demographic boom that may reduce the contribution of labor to observed and potential growth; and vi.) the reduction in recent investment (private and public) may lead to being more exposed to future inflation shocks.

In the financial and accounting industries, the long term is the aggregation of short terms. Therefore, in order for Colombia to achieve its growth and social inclusion goals in a few years, it must begin to tackle the task now. The cornerstone of all these pending tasks is the investment. It is necessary to accelerate the investment. It is the necessary condition, and almost sufficient, to increase the potential growth of the economy, reduce poverty, and integrate more individuals into the labor market.

2. Market and competitive position

BBVA Colombia maintained the 4th position in the market, with a market share in Assets of 11.18% as of January 2024, while its main competitor, Bancolombia, remained in the first place with a share of 25.67%.

In Credit Investment, BBVA remained in 4th place with a market share of 11.51% for the month of January 2024, which showed a variation of +45 bps compared to the same period of 2023. The retail portfolio maintained the 3rd position in the market, with a market share of 14.95%, which showed a variation of +102 bps compared to the same period in 2023. BBVA's Consumer line managed to increase its market share with a gain of +183 bps, closing January 2024 at 15.54% thanks to its outstanding performance in Free Consumption and Credit Card operations. Regarding the Mortgage sector, BBVA's rate stands at 13.80% with a loss of -57 bps compared to the same period of 2023; however, this decline has slowed down in order to regain market share starting from 2024. On the other hand, the Business Portfolio has been showing good progress, reaching a share of 8.55% and growing +3 bps compared to January 2023, managing to position itself in the 4th place in the market.

With regard to BBVA's Customer Resources, in January 2024, it achieved a market share of 12.08%, which represented a variation of +56 bps compared to the same period in 2023. The Sight resource fee showed a variation of +33 bps and maintained the 4th position in the market with a share of 11.54%. Savings recorded a profit of +130 bps with a rate of 11.32% and Time Deposits, which has been the line with the highest growth at the level of all banking sector and financing companies, was at 13.31%, decreasing by -52 bps, ranking fourth in the market.

3. Legal and regulatory environment

BBVA Colombia continuously monitors legislative developments, allowing timely adaptation to new regulations and employing the most efficient criteria in their implementation. During the first quarter of 2024, BBVA Colombia complied with the legal requirements governing banking activities, and also carried out its operations in accordance with the instructions issued by the Authorities, always framing and adjusting its activities to the legal guidelines.

For the first quarter of 2024, the Authorities issued regulation related to banking activity, highlighting:

Financial Superintendence of Colombia (SFC):

1. **PUBLIC NOTICE NO. 017/2023** Seeks to promote financial stability, strengthen the healthy growth of the credit portfolio, and mitigate the impact of the current credit cycle on the financial system, particularly on credit institutions.

   Therefore, and considering the current macroeconomic context, the SFC deems it necessary to issue temporary instructions regarding the conditions that must be met for credit institutions to apply the deaccumulative phase calculation methodology established in sub-item 2.2 of Annex 1 of Chapter XXXI - SIAR of the CBCF.

   Among other relevant aspects, the following are highlighted:

   - Financial institutions that, for 3 consecutive months, meet 3 out of the 4 conditions established in paragraph 2 of Annex 1 of Chapter XXXI - SIAR of the CBCF and in Public Notice 019 of 2023, may submit to the SFC a plan to implement the deaccumulative calculation methodology provided for in sub-item 2.2 of Annex 1 of Chapter XXXI.

   - Credit institutions that, after applying for 6 months the methodology provided in sub-item 2.2 of Annex 1 of Chapter XXXI - SIAR of the CBCF, and that as a result of the evaluation of the conditions indicated in item 2 of Annex 1, must apply the methodology provided in sub-item 2.1 of Annex 1, may request from the SFC a period not exceeding 24 months for the establishment of the additional provisions resulting from the application of such methodology.

2. **PUBLIC NOTICE NO. 03/2024** Instructions are issued for managing the limits on large exposures and risk concentration of credit institutions, as well as the individual credit quotas of other supervised entities. Among other aspects, the following is highlighted:

- A new chapter XIII is established in the Basic Accounting and Financial Notice (CBCF) that sets standards for the identification and management of large exposures and risk concentration of credit institutions.

- Testing period: To ensure the correct transmission of the required information through the aforementioned pro forms, supervised entities must carry out mandatory tests between March 10 and 21, 2025 with the information from the individual and consolidated exposures as of December 31, 2024.

3. **PUBLIC NOTICE NO. 02/2024** Instructions are given on the contributions of Article 337 item 5 of the Organic Statute of the Financial System for the first semester of 2024. Consequently, it is established that, for this period, the value of said contributions will be COP 201,582,500,000.00.

   In order to comply with the respective payment, the Financial Superintendence of Colombia will send the corresponding collection to the supervised entities, which must be settled no later than February 20, 2024.

4. **PUBLIC NOTICE NO. 04/2024.** To provide instructions regarding open finance and the marketing of third-party technology and infrastructure in order to:

   1. Establish the technological, security, and other necessary standards that supervised entities must adopt for the development of open finance under interoperability conditions.

   2. Establish the obligations that supervised entities must meet to ensure that the processing of financial consumer data is carried out under conditions of security, transparency, and efficiency.

   3. Indicate the guidelines that supervised entities must comply with when commercializing to third parties the technology and infrastructure they use for the provision of their services.

   Based on the above, the following modifications are made:

   - A Chapter IX is created in Title I of Part I of the Legal Basic Notice called -Rules regarding open banking- with the purpose of defining the technological and security standards and other necessary requirements for the correct use of open banking.
   - A new Chapter X is created in Title I of Part I of the Legal Basic Notice named Technology and Infrastructure Commercialization to third parties in order to define the guidelines that supervised entities must follow when carrying out the activity of commercializing technology and infrastructure used in the provision of their services and the development of their related activities.

5. **PUBLIC NOTICE NO. 14/2024.** The Financial Superintendence reminds the supervised Entities of the compliance with obligations to ensure the fundamental right to Habeas Data. Among other aspects, the following is highlighted:

- Entities must request the authorization of the data owner and retain evidence of this.
- As sources of information, supervised entities must periodically and promptly report to the information operator any new developments and/or corrections to the financial data previously provided.

6. **PUBLIC NOTICE NO. 08/2024.** The list of investments that credit institutions must make in Agricultural Development Bonds Classes "A" and "B" is reported, in accordance with the provisions of External Resolution 3 of 2000 issued by the Board of the Central Bank of Colombia.

   BBVA Colombia is entitled to the amount of: COP 2,221,262,719.00.

7. **DECISION 2332 OF 2023.** Certify the coverage percentages of interest rate risk and exchange rate risk, for the purpose of projecting the interest and debt balance of local entities.

   This resolution is valid for the quarter from January 1st to March 31st, 2024.

8. **RESOLUTION 0400 OF 2024**. The SFC certifies the current bank interest rate for consumer and ordinary credit at 22.20% effective annual rate.

   For productive credit modalities, the prevailing bank interest rate is certified in:

MODALITY	ANNUAL PERCENTAGE RATE
Highest amount productive credit	27.47%
Rural productive credit	25.10%
Urban productive credit	36.85%
Rural productive popular credit	45.87%
Urban productive popular credit	51.09%

Certified rates will apply for the period between March 1st and March 31st, 2024.

4. Intellectual Property and Copyright

According to the provisions of Article 47 of Law 222 of 1995, as amended by Law 603 of 2000, we inform that BBVA Colombia strictly complied with the legal provisions related to intellectual property and copyright for the different services, products, and operations. Regarding the trademarks and other intellectual property used by the Entity, we state that we have ownership or the corresponding licenses and authorizations to exploit them.

Regarding the software installed, in use, or in possession of BBVA Colombia, it is licensed appropriately, and controls have been implemented to ensure that the processes of purchasing, developing, installing, adjusting, and maintaining the software comply with legal requirements concerning copyright, privacy, and e-commerce.

The Internal Control and Operational Risk areas, as well as the media, business, and audit areas, have assessed and monitored the compliance status with the intellectual property and copyright standards, according to the established methodology, in order to mitigate the materialization of the respective risks. Complying with the provisions of Public Notice 016 of 2011 from the Financial Superintendence, it is noted that the evidence of these evaluations is kept in the tools and work documents used by the Internal Control and Operational Risk unit for the performance of its function, an activity that is periodically reported to the Board of Directors.

5. Evaluation of Other Reports

BBVA Colombia declares that pursuant to the provisions of article 57 of Decree 2649/1993, the information and assertions contained in the Financial Statements, both separate and consolidated, have been duly verified and obtained from the Bank's accounting ledgers, do not contain material misstatements or errors, and have been prepared in accordance with the applicable accounting standards and principles.

It also declares that all other reports required in accordance with article 446 of the Code of Commerce have been disclosed in the Financial Statements and their Notes.

Lastly, it is stated for the record that BBVA Colombia does not hinder the free circulation of invoices issued by suppliers or vendors, pursuant to article 87, second paragraph, of Law 1676, 2013.

6. Products, services, and distribution

a. Segment of individuals

During this first quarter of the year, BBVA continues to lead in investment and resource lines, highlighting the dynamism in Payroll billing with a +48% compared to the same period in 2023, thus reaffirming our position as the #1 in the market for this product. We highlight the launch of "Pre-approved One Click," which provides our customers with approval and account disbursement within a maximum of five (5) hours through our App, without documents.

Regarding Credit Card management, in order to strengthen our bank with the best benefits for all our Credit and Debit Card customers, at BBVA we have been working on improving the value proposition for our customers according to their needs since the first quarter. That is why, starting from January 25, 2024, we are launching new benefits for our Affluent customers (platinum, black, and infinite cards) with our annual challenge "Win free tickets with BBVA," where we reward customers for meeting their annual billing goal with completely free national and international tickets that they can redeem on our BBVA travel platform by Despegar. Complementarily, starting on February 1st, we have made an improvement in the accumulation of BBVA points for purchases, positioning our program above the competition and providing our customers with exclusive offers and benefits in travel, restaurants, and entertainment. Currently, we have 8 partner brands in these verticals where our customers can pay for their purchases either in full or in part by redeeming their BBVA Points, and even better, with double the benefit in point value on Tuesdays at restaurants and Thursdays at cinemas.

In the Housing management, we start the first quarter with ambition in market share gain, focusing for this 2024 on different strategic lines to achieve it such as: growth in housing billing mainly in UVR, Vis and Leasing and increase in portfolio balances, leveraged in Credit Builder financing in funded and non-funded projects, all this in order to become a reference Bank in the country for housing placement for all our customers, attracting more market, contributing to the placement of more payrolls and working in synergy with our value areas as well as with our developers and ecosystem in credit placement, which has allowed the financing of 4,113 credits in Colombian households.

In the total billing for this first quarter of 2024, in the Housing sector, we experienced an increase of 47% compared to the previous quarter, exceeding COP 580 billion, where the placement of VIS went from having a 13% share to 26%, exceeding COP 150 billion, and in UVR we went from a 9% share to 22% with a placement of over COP 130 billion, allowing March to close with a Portfolio balance of COP 14.3 trillion, resulting in a year-on-year growth of 4.58% (COP 627 billion).

An important growth lever is the Construction sector focusing on top-ranking and lower-risk Builders, where BBVA continues to further consolidate its participation by implementing various financing and promotion strategies, reaching 159 funded projects that enabled us to achieve a Construction Credit Portfolio of COP 973 billion with a 22% year-on-year growth, and in revenue exceeding COP 190 billion with a 15% growth compared to 2023.

Regarding the results in the Vehicle segment, BBVA achieves a first-quarter revenue exceeding COP 182 billion with a year-on-year growth of 41%, and in units of 2,344 (+22%), which allowed for a 6.76% increase in balances compared to March 2023, reaching COP 1.57 Trillion, all leveraged by a greater positioning in the country's dealerships, improved approval times, and the Major - Minor Plan strategy.

On the other hand, BBVA Colombia enters the wholesale Vehicle financing market through the Floor Plan product with our partner Inchcape, the fourth largest importer in the country, disbursing the first funds in February for a value of COP 9,150 m; with this, we initiate the most important Retail business lever, which will lead us to strengthen the value proposition in the Consumer Finance world

Similarly, we start 2024 with a significant boost in customer engagement, with our main product being the payroll account. We had a presence in mass media highlighting the distinctive benefits of our offer, such as the welcome points delivery of the BBVA Loyalty Plan, the decrease in asset rates for contracting this product, and the addition of Efecty as a banking correspondent to offer greater BBVA presence throughout the national territory with the benefit of no charge for withdrawals at these partner points.

And precisely to promote self-management among our customers in Mobile Banking, this quarter we are launching the campaign "Become a Fan of the App," where the top 20 customers who carry out the most transactions through this channel will receive 150,000 points from the BBVA Loyalty Plan for redemption in trips, purchases, or cash (Terms and Conditions apply).
Regarding the income obtained from passive products, there was a year-on-year growth in the total resources of 17.1%, mainly leveraged in Time Deposits where an increase of +45.7% was achieved. The strategic adjustment and focus of our commercial force on attracting new stable resources, mainly in the High Value segments and customers with excess liquidity, allowed us to achieve this income, with these segments being the main contributors with a year-on-year increase of over 40%.

b. SMEs, Corporations and Institutions

b. SMEs segment

In this first quarter of 2024, we continue to advance in our strategy to grow our customer base, successfully engaging with over 2,000, 40% through savings accounts and 37.6% through acquisitions. In terms of market share, we worked closely with the Advanced Analytics and Risk area to identify new sources of information, resulting in over 10,000 pre-approved offers, increasing by 39.3% compared to the previous quarter, with a 6.5% increase in offered amounts. More than 4,000 customers were granted a special rate with the purpose of improving profitability and product pricing based on their financial indicators, risk level, and current reciprocity at the Bank, resulting in 34% of the total billing being covered by these pre-approved lines.

We support SMEs in the payment of their severance pay obligations to their employees with over COP 20 billion pesos. A 30% contribution has been achieved from the pre-approved to the COP 878 billion total SME billing. We continue to make progress in our digital products, with a 10% increase in advance sales contracts and over 1,200 new enrollments, the highest figure since the product launch. Additionally, more than 90 individual business owners have disbursed advance sales payments through the Mobile application using the single app solution, narrowing the gap in the use and banking of digital channels.

To attract resources, a CDT maturity action was implemented in other banks to capture liabilities, reflecting a contribution to average balances of over COP 10 billion represented by 64 customers. Our transactional offer remains focused on payment, payroll, and channel solutions.

In terms of customer service, we have implemented action plans focused on improving the customer experience, based on systematic communications about the new functionalities of the channels, internal marketing for employees regarding the knowledge of channel onboarding and its basic functionalities. Finally, collective training sessions have proven to be a functional tool to extend the reach of our after-sales service.

c. Enterprise Segment

2024 is the year in which the strategic plan that was defined four years ago culminates, in which clear objectives were outlined to double the market share of corporate banking and position ourselves as a relevant bank for the country's businesses. Here are the different lines of work and the income achieved during the first quarter.

Market share growth
The flagship plan was launched, an initiative in which, together with the commercial team, risks, and client solutions, the most relevant companies in each of the cities where the corporate banking operates were selected, in order to become the benchmark bank for these customers in their financing needs and treasury solutions. The evolution of this customer group is contributing to the growth of the investment SM of the banking sector.

The second line for quota growth comes with the agro plan, an initiative in which strategic sectors of this industry such as livestock, poultry farming, pig farming, palm oil, rice, and sugarcane were defined, identifying significant opportunities to support customers in their financing needs.

In addition, to drive our strategic KPI of sustainable financing, an internal campaign was launched to incentivize account managers with the highest budget growth in this indicator, offering them a training trip to Spain. To support this management, 360 companies with sustainable certifications and/or business activities with sustainability potential were identified. As of March, they have managed to disburse COP 885 billion in sustainable invoicing.

Also, starting in February, an initiative called "shock plan" was implemented, in which special profitability conditions are in place that allow us to react to the high market competition in order to defend the current portfolio and grow in specific customers.

Resources
In the resource management, this year the challenge is to reduce the cost of liabilities, so we have worked on deepening the relationship with customers through our transactional portfolio with a special focus on providing structured treasury solutions.

Trading results
In order to enhance revenue from commissions, BBVA Colombia has implemented its Foreign Exchange strategy, aimed at expanding customer participation in foreign exchange operations. This initiative focuses on a specific customer segmentation with a limited presence in the currency market. During the first quarter, transactions totaling USD 16.5 million were successfully executed, involving 28 customers.

d. Corporate and Investment Banking

In the first quarter of 2024, a slight decrease in the dynamics of Corporate Banking was evidenced, compared to the activity presented in the last quarter of 2023, framed in a highly competitive environment, taking into account the economic slowdown observed in Colombia, which resulted in a slowdown in the dynamics of Corporate Banking, a behavior that had been occurring since the previous quarter. However, at BBVA we stand out for our ability to manage and maintain our levels in the financial sector.

One of the important challenges in the first quarter was maintaining stability in liquidity derived from our customers, given the continued downward trend in interest rates by the Central Bank, leading to increased competition for resources in the financial sector, therefore we continue with our strategy of attracting resources from predominantly transactional customers. This strategy allows us to continue seeing stability in liquidity management with corporate banking customers.

Regarding the balances in the short-term portfolio, they remained stable compared to the previous year-end despite the continued decrease in interest rates by the Central Bank. According to the above, we continue with a strategy focused on defending our portfolio, accompanied by a timely management of maturities. What has allowed us to continue seeing stability in our balance with corporate banking customers.

In the long-term credit section, a positive trend was observed for the Corporate Banking division of BBVA Colombia, which has enabled us to maintain our market positioning. Furthermore, we continue to develop business opportunities through unsolicited financing proposals and anticipating the needs of our customers.

Finally, for Global Markets (GM), the first quarter of the year started with a very challenging outlook considering the high volatility in the local markets. However, thanks to the outstanding team management, we managed to recover and close the quarter with satisfactory income results for BBVA. These are milestones that are also the result of BBVA's strength in offering products that support the Sustainability strategy of our customers.

7. Corporate Responsibility

In the first quarter of 2024, BBVA, through its social investment actions, benefited more than 11,500 Colombians with actions focused on education, corporate volunteering, and support for families in emergency situations, through the initiatives described below.

Education
At BBVA, education is the central axis of social investment initiatives; that is why various activities supporting the most vulnerable communities in the country are supported and accompanied by top management. During the first quarter, the President of the Bank visited Leticia, where he delivered 8 computers, a physical library with nearly 40 books, and a digital library, within the framework of the conclusion and finalization of the Campaign Cuento Contigo, thanks to which the Bank reached all 32 departments with its social investment initiatives.

He also visited Armenia and San Andrés to deliver school kits to boys and girls from public educational institutions. Between January and March, 2,988 school kits have been delivered, which for this year have more sustainable features such as recycled fabrics, biodegradable packaging, and a reduction of plastic by over 90%; furthermore, the notebooks and packaging have designs alluding to the biodiversity of Colombia and tips for environmental care.

The president also visited Inírida, where he delivered 10 tablets loaded with over 600 digital contents and a physical library with nearly 40 books at an educational institution of the Indigenous community El Remanso.

Furthermore, 450 school kits were delivered to boys and girls from Wayuu communities in La Guajira, by World Vision.

As support for education and the reduction of the digital divide in the Colombian Pacific region, 50 laptops and 8 tablets were donated, benefiting over 6,000 students at a foundation and various educational institutions in Chocó.

A corporate volunteering day was carried out with 18 employees from the Engineering Vice Presidency for the delivery and organization of 30 computers to the Renacer Association, an educational center dedicated to the care of more than 50 children, youth, and adults with disabilities or cognitive impairments.

Humanitarian support
500 humanitarian aids were delivered in Chocó, targeting communities affected by the various social emergencies and environmental disasters that occurred in the department during the first months of the year, supporting 2000 individuals.

8. Sustainability

BBVA Colombia is committed to supporting its clients in their pursuit of sustainability, offering a diverse selection of products and services specifically designed to finance projects with a positive impact on society and the environment. This initiative has materialized through the promotion of sustainable businesses that **contribute to inclusive growth and climate action.**

It is in this way that in the realm of **inclusive growth,** BBVA Colombia aims to enhance the social conditions of Colombians, allocating resources to strengthen infrastructure, inclusion, entrepreneurship, and housing, with total disbursements for these initiatives during 1Q amounting to COP 1.05 trillion for the Inclusive Growth initiatives. On the other hand, in relation to **climate action,** resources have been allocated to promote relevant activities and projects that contribute to fostering sustainable mobility, improving energy efficiency, implementing renewable energies, promoting the circular economy, among others. Through these initiatives, in 1Q the bank disbursed a total of COP 1.15 trillion. BBVA Colombia has financed a total of COP 2.2 trillion in sustainable operations and projects during 1Q 2024.

During the first quarter of the year, the bank has recorded a solid performance in its operations, reflecting its commitment to social inclusion and environmental care. In particular, it had operations for COP 184.000 billion in the Capital District, focused on sustainable mobility initiatives. Furthermore, COP 31,000 million were allocated to the Green Coffee Company credit initiative, which holds an environmental seal, highlighting the bank's commitment to natural capital. Furthermore, credits totaling COP 74,000 million were granted for the supply of gas to vulnerable populations, ensuring access to this resource for strata 1 and 2.

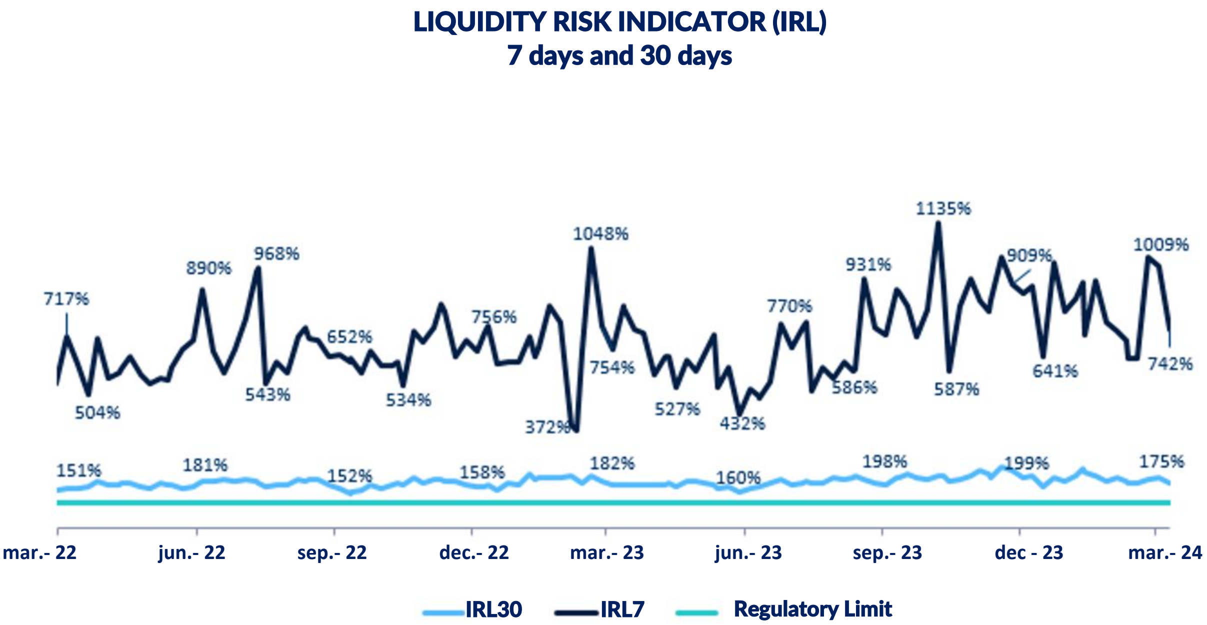
These income figures reflect the success of our credit strategy, which aims not only to generate financial returns but also to promote sustainable development and social equity in our communities.

9. Client Resources, Risks, and Relationships

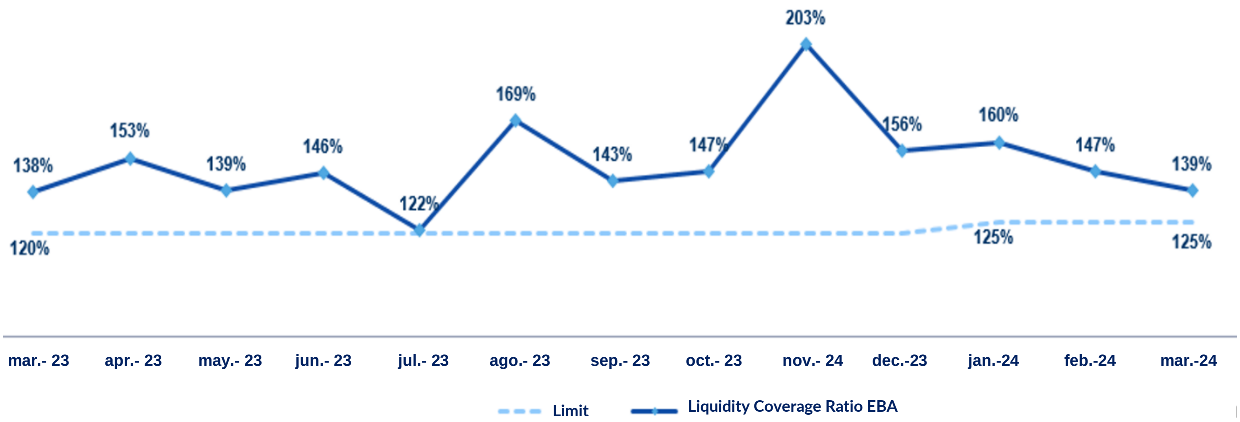
a. Resources

In the ALM area, one of its main functions is the management of all resources (RLI's) that enter the bank, in order to cover the different structural GAPs generated by the nature of each banking area. The raising of these funds is in line with the objectives set out in BBVA's budget to support the growth of credit investment and compliance with corporate liquidity limits required by local and European regulators.

The Liquidity Limits are based on regulatory measurements (Liquidity Coverage Ratio at 7 and 30 days), where BBVA has historically remained within the limits.

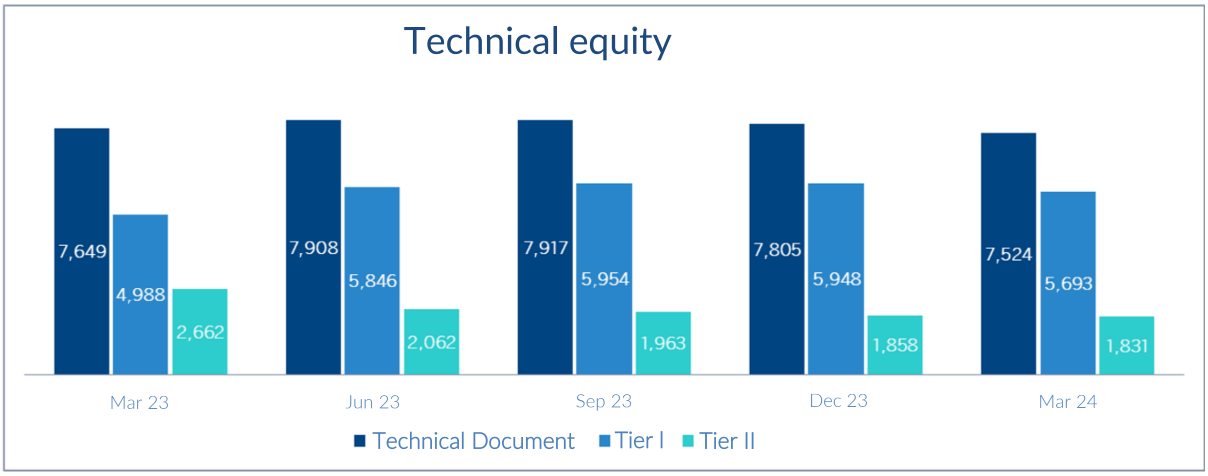


Additionally, in accordance with the international measurements proposed by Basel (LCR), it can be observed that during the last year, BBVA has remained above the BBVA internal management limit (120% until December 2023 and 125% from January 2024) and the regulatory limit (100%), which currently stands at 139.38% (figure from March 2024, last available data cut-off).

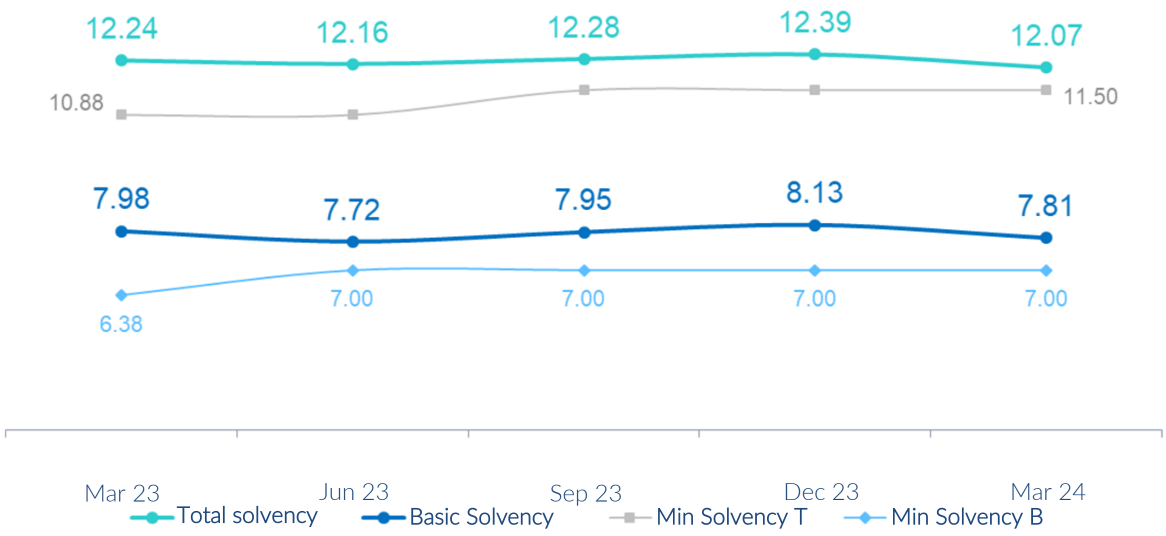


b. Share Capital

The capital structure of BBVA is quite robust and complies with the regulatory minimums required by the Financial Superintendence. The Tier I capital represents on average 76% of the regulatory equity. The above has been achieved thanks to the proper management of capital and the financial income of the entity.



The above reflects basic and total solvency ratios that are above regulatory limits and allow us to continue growing our business.



c. Talent & Culture

BBVA provides its employees with opportunities in this new era, supporting development, professional and personal growth, through internal mobility, training programs, well-being, and the development of technological services to enhance their experience within the organization, the strategic priority in 2023. Here are some of the important milestones in the fourth quarter of 2023:

During the months of November and December, **negotiations and the signing of collective bargaining agreements and collective convention** took place, whose validity is from January 1, 2024, to December 31, 2026. The signed agreements include the salary increase for employees, as well as the increase in amounts of fringe benefits. Other relevant aspects of the agreements include: the increase in value and expansion of coverage in age in children's educational credit; likewise, there was an improvement in access to postgraduate, English, and MOOC credits; as well as the promotion of the labor disconnection policy, the regulation of extralegal maternity or paternity leave, and the extension of agreement benefits to homoparental families. The promotion of these benefits will be maintained during the validity of the agreements by T&C and the corresponding areas and stakeholder groups respectively (unions and collective bargaining agreement commission).

Wellbeing, Culture & Diversity.
During 4Q 2023, In the field of **Wellbeing, Culture, and Diversity**, efforts were focused on strengthening Diversity, Equality, and Inclusion (DE&I). More than 3500 training hours were carried out in 2023, reflecting the commitment to learning and continuous growth. The participation in these programs was remarkable, with a broad reach throughout the organization. Participants of national events were acknowledged and thanked.

It is inspiring to see how our organization has committed to these crucial issues. Managers' participation reached 26%, the Network with 42%, and the AACC with 58%. To recognize and thank those who participated in the national events, acknowledgments have been sent as a token of appreciation for their involvement and commitment.

In the fourth quarter, an 89% compliance rate was achieved across the organization in the "Introduction to Diversity, Inclusion, and Equity" training course available on the Campus BBVA learning platform. It is encouraging to see how each of the collaborators has embraced the opportunity to learn and grow in such important topics as diversity, inclusion, and equity. This achievement is a testament to the unity and determination to create a more inclusive and welcoming environment for all.

At **Talent Acquisitions**, one of the strategic priorities is to attract the best and most committed talent. Throughout 2023, 686 new employees have been hired in structural positions, of which 57% have been female talent; of the total vacancies for executive positions, 51% were filled by women, thus contributing to gender diversity.

Within the scope of internal development, 514 promotions have been carried out through local internal mobility and regarding international mobility, by the end of the year, we had 80 active assignments, of which 60 started during 2023; these movements included different modalities (PDI's, Benches, Become, Permanents, among others), of which, 35 have had Colombia as their destination and 45 have left Colombia towards other countries. Regarding temporary hires during the year, 305 apprentices and interns have been onboarded.

Adjustments are being made to the Onboarding program, conducting sessions with the Engineering department to find ways to improve timing and ensure that new employees have their work tools from day one. The goal is to implement these changes by the end of January 2024. Furthermore, all the information is being prepared to present the Referral Program initiative to the CARO committee, in order to carry out its official launch. Additionally, the schedule of activities is being developed in which BBVA will be able to participate as a strategic partner in Fedesoft, with the aim of positioning our brand in the IT market.

During this quarter, work has already begun on the Project Planning Workbooks for the Cornestone to Workday migration project and the integration of Beamery, a project that will be executed throughout 2024 and is expected to be ready by October of the same year.

Strategy & Performance - Data
The Strategy & Performance Area is responsible for ensuring the proper implementation of new functional and technological solutions so that Talent & Culture can achieve its strategic objectives. To achieve this, a proper management of information, defined processes, and adequate controls are necessary, bringing us closer to operational excellence.

In this fourth quarter, efforts have been focused on the development of the T&C 2024 Strategic Plan, aligned with global objectives. This plan will serve as a starting point for the development of initiatives that drive the income to be achieved in the current year.

Regarding projects, the developments of the electronic signature platform for new engagements have been completed, in line with the launch of the Onboarding program aligned with holding guidelines. This will help support the Core Service in attracting the best and most committed talent.

Within the Diversity Certification scope, BBVA has received the "Commitment to Equality" level recognition from Equipares, bringing BBVA closer to its goal of being recognized as a diverse and inclusive bank.

In order to provide our internal clients with the necessary tools to make data-driven decisions, we have implemented, from the Analytics CoE, the delivery of various scorecards to all vice presidencies. These dashboards are designed to allow you to visualize the current status of crucial human capital aspects such as vacancies, headcount, training, turnover, and vacation management. This initiative aims to improve decision-making and promote more effective and strategic management within our organization.

In the field of Control Assurance, the risk assessment and manageable controls within the Talent & Culture perimeter are successfully closed, 5 audit actions are completed within the deadlines, and the Talent & Culture Internal Control and Operational Risk Committee is successfully held.

Finally, Solutions Development has also concluded the awareness program for the proper management of information classified as sensitive, both within and outside the Talent & Culture domain.

10. Risks

The comprehensive management of risks (credit, market, and operational) is conducted according to BBVA Colombia's internal Risk Policy and current Colombian regulations, and is implemented through the development of models and tools that facilitate the coordination of monitoring and control activities, aiming to identify and mitigate the various risks faced by the credit portfolio.
BBVA Colombia's investment during the first quarter with a growth of COP 75 billion, the presented quarterly variation is as follows: First quarter of 1Q24 ⍰ 0.1%. Investment growth focused on the Commercial Portfolio sector (+COP 122 billion; +0.4%). In the Individuals' portfolio, a decrease of COP 47 billion was recorded, with a focus on Consumer loans (-COP 165 billion, -0.7%) due to the decline in Free Investment loans (-COP 432 billion; -6.3%), Payroll loans offsetting the decrease in Free Investment loans (+COP 257 billion, +1.6%). In Mortgage (+COP 87 billion +0.6%), in Credit Cards (+COP 18 billion +0.4%).

The doubtful portfolio starts 1Q24 with a quarterly variation of 11.4% (COP 146 billion). The doubtful ratio for the first quarter stands at 3.47%, which is +19bps compared to 4Q23.

a. Portfolio Management Reporting & SD Risk

Risk Planning & Reporting

Throughout 1Q24, in conjunction with the Recoveries area, projections of the portfolio's behavior are carried out, allowing management areas to have tools to act promptly in the face of customer difficulties. This is aimed at reducing impacts on the deterioration of the local and consolidated portfolio, ultimately contributing to benefits in terms of the Bank's asset quality.

Data&AA

During the 1st quarter of 2024, the deployment in production of the new ***Mortgages for the Retail segment and Early Warning System (EWS)*** models stands out for both the SME and Corporate segments.

Progress is being made in the NGA initiative in the two lines of execution EMC1 and EMC2, whose main pillars are the development and implementation of risk models in less time, and the incorporation of non-traditional estimation algorithms (machine learning) to produce more robust and stable estimations over time.

The development of the new models committed in 2024 for the SME segment continues, with a 360° perimeter granting model providing coverage for reactive and behavioral scope, as well as a collections model for early and late delinquency segments.

Finally, the annual calibration process for expected loss parameters under international IFRS9 methodologies is currently in progress. By 2024, the calibration and presentation process to corporate committees is streamlined, with the target date for completing the entire process set for September/24.

Risk Solutions Group

During the quarter, the execution of strategic projects for the domain continued at both local and corporate levels, aiming to improve internal efficiencies and enhance customer experience. Among them, highlights include Cronos Collections, Arce Companies, Cronos Behavioral, Cronos SMEs, NGA, EWS Companies and SMEs, transformation of the SME admission process, payment agreement control module, reestimated mortgage model.

Similarly, work was carried out on day-to-day projects such as the de-accumulation phase provisions reconstitution plan, and the implementation of local and global regulatory projects such as NDoD.

b. Retail Credit

Individuals Admission Management

This management team oversees the process of analyzing and making decisions on credit operations originated for individuals through various channels.

During the first quarter of 2024, housing and payroll operations were mainly evaluated, with an average approval rate of 57%. Other lines of consumption experienced lower activity.

The Admission department maintains specialized cells and equipment to handle credit lines that require priority responses, such as Automobiles and customer Segments from Personal, Premium, and Wealth Banking, as well as mortgages from selected developers.

Ongoing support is provided to the commercial teams for the correct implementation of credit requests, focusing on the Bank's target market.

Maintenance of service agreements for vehicles is upheld, achieving an 80% response rate to proposals within 1 hour.

Retail Monitoring Department

Responsible for monitoring exposures with early warning alerts that allow assuming credit risk according to the defined risk appetite strategy, within the management limits established according to the Asset Allocation process, and the thresholds set in the frameworks of action.

It conducts continuous monitoring of the quality of the placements made under the attribution of the office network while the portfolio matures in order to ensure the performance of the risk indicators.

In addition, support is provided in the preventive management of portfolio customers in order to anticipate portfolio impairment based on statistical information in accordance with the risk group associated with each customer's profile. On average, in Q1 2024, an average of 387 thousand transactions were managed, with an approximate monthly value of 6.6 trillion pesos.

Policies, Campaigns, Processes, and Appraisals Management

Responsible for updating regulations according to corporate and local regulatory guidelines, it also defines new policies and admission adjustments based on periodic reviews of portfolio behavior and economic development. Manage the processes and workflows for bulk approvals of portfolios, establish controls over the offered quotas.

In Policies, for 1T 2024 in accordance with the current economic situation and impairment indicators, adjustments have been made to the effort rate and customer profile, mainly in Consumer, Housing, and Credit Card.

Decrease in the generation of pre-approved offers for impairment control by 150m consumptions, 445m cards, and 183m payrolls for the January-February campaign.

At Vivienda, the strategy of generating pre-offer campaigns aimed at our customers who demonstrate good financial health and a positive historical behavior with us and the rest of the financial sector has been maintained.

Growth strategy focused on payroll with an average monthly billing of approximately COP 400 billion. In progress, digital payroll for product automation.

c. SME Risks

During this 1st quarter of 2024, the admission policies in line with the business performance at the end of 2023 are continued, considering the sector outlook given the economic-financial context of each territory in the country. Main outcomes:

1. 5 out of 10 customers were eligible for financing in the last quarter, with a credit proposal tailored to their working capital and investment needs, along with collaterals that match their experience in the industry and financial evolution.
2. 20% of our SME customers have a pre-approved offer, 34% of the total billing has been through this channel.
3. 100% of SME executives support the main customers facing financial difficulties with preventive solutions.

The transformation lines create value in our customers' experience, thus the Net Promoter Score (NPS) is realigned, and the portfolio quality plan evolves in line with budgetary expectations.

d. Recovery & Workout

For the first quarter of the year 2024, a greater boost is given to strategic plans focused on reducing the impact on expenses and impairment, and strategies are defined to focus customer management according to the portfolio impact. We hereby detail the strategic plans that have been prioritized during 1Q of 2024:

- **Retarget Plan**

  The plan focuses on managing high-impact customers in arrears and default, with a group managed in the last month of over COP 1.1 trillion. This management is carried out with the support of Managers, Account Managers, and Executives of the Commercial Network, to whom a measurement and monitoring scheme of objectives with an incentive model applied to their settled bonus was defined, having control over the daily recovery and containment of this portfolio.

- **Redesign in the comprehensive measurement of agencies by customer categorization**

  As a strategy to focus management on high-impact customers in portfolio indicators, the measurement of channel management is redefined through the creation of customer categories, which allow the identification of those customers who, due to their characteristics, have a greater impact on portfolio deterioration and provisioning. This allows channels to focus their management on relevant customers and meet the objectives set by the bank for recovery and containment.

- **Solution for normalization of accounts receivable**

  We continue with the offering of the various standardization alternatives provided in the Public Notice 026 of 2017 from the financial superintendence, as well as the implementation of the standardization solution product in the same contract, adapting the alternatives to the client's economic situation and facilitating the standardization processes, allowing to improve recovery and turnover ratios through these.

Finally, we maintain the daily digital management of customers who reach a day of default, improving the current portfolio indicators, as well as digital collection management, allowing customers to access normalization alternatives through self-management tools such as WhatsApp, chatbot, voicebot, among others.

e. Wholesale Credit

Wholesale investment experienced a 2.6% increase in the first quarter of 2024, maintaining credit activity compared to the same period in 2023 when it reached a variation of 2.4%. The above, in line with the lower growth dynamics of the national economy. The 1Q-2024 increase is driven by a 6.2% growth in Corporate Banking. The customers with the highest increases were in Institutions (operation of Bogotá Distrito Capital for COP 191 billion), Retail (Supertiendas y Droguerias Olimpica S.A for COP 104 billion), Financial Services (Telefónica Factoring for COP 105 billion).

The wholesale overdue portfolio participation is 0.05%, set at COP 15 billion as of the end of March 2024, with a YtD variation of (65%).

The measures for containing overdue payments in the wholesale segment include continuous monitoring of customers with unpaid debts from five days on any of their obligations, taking preventive actions such as suspending current credit limits and structuring tailor-made solutions, aiming to strengthen guarantees. Simultaneously, the Colombian Center of Excellence (CoE) completed the construction of the Early Warning System (EWS), commencing in 1Q-2024 with the integration into the management of said tool.

Finally, it is worth mentioning that the Wholesale Portfolio Committee in the month of March presented the 2023 rating update and validation campaign, which is expected to achieve a 76% validation in amount by the deadline of April 2024.

11. Results

Separate Results

For the first quarter of 2024, the total assets of BBVA Colombia closed with a balance of COP 101,384,712, showing a decrease of 3.59%, equivalent to a variation of -COP 3,775,475. This behavior is mainly explained by a decrease in active positions in market operations (-81.86%) and investments and derivative operations (-6.93%), and is partially offset by growth in Other Assets (+COP 1,057,382).

BALANCE

(Balances at a Point in Time - Millions of Colombian pesos)

	Mar-23	Dec-23	TAM Var	
Cash and cash equivalents	7,440,637	8,556,216	(1,115,578)	(13.04)
Active positions in market operations	468 803	2,583,679	(2,114,875)	(81.86)
Investments and operations with derivatives	18,436,459	19,808,707	(1,372,248)	(6.93)
Loan portfolio and leasing	73,753 224	73,769,716	(16,492)	(0.02)
Impairment	(3,890,379)	(3,676,715)	(213,664)	5.81
Other assets	5,175,966	4,118,585	1,057,382	25.67
Assets	**101,384,712**	**105,160,187**	**(3,775,475)**	**(3.59)**
Deposits and current liabilities	79,215,022	79,745,917	(530,895)	(0.67)
Passive positions in market operations	2,147,435	2,720,622	(573,187)	(21.07)
Financial instruments at fair value	6,961,664	9,559,047	(2,597,383)	(27.17)
Banks and other financial obligations	5,133,515	5,137,874	(4,359)	(0.08)
Accounts Payable	959,548	1,013,178	(53,630)	(5.29)
Labor liabilities	322,576	339,092	(16,517)	(4.87)
Other Liabilities	883,036	708,491	174,545	24.64
Liabilities	**95,622,795**	**99,224,221**	**(3,601,426)**	**(3,63)**
Share capital	89,779	89,779	-	-
Reserves and Specific Funds	4,750,444	4,559,354	191,090	4.19
Surplus	1,048,160	1,031,468	16,692	1.62
Profit or Loss	(126,467)	255,365	(381,832)	
Equity	**5,761,916**	**5,935,967**	**(174,051)**	**(2.93)**
Total liabilities and equity	**101,384,712**	**105,160,188**	**(3,775,477)**	**(3.59)**

Regarding the Bank's liquidity resources, the available assets showed a decrease of -COP 1,115,578 compared to the end of 2023. This decrease is explained by changes of -COP 1,161,055 at the Central Bank, -COP 812,370 in other banks and financial entities, offset in part by +COP 857,853 in the bank's cash holdings.

Active Market Operations Positions closed with a balance of COP 468,803, experiencing a decrease of 81.86% compared to 2023. The variation of -COP 2,114,875 is a result of a decrease in simultaneous operations volume.

The gross portfolio of Loans and Leasing experienced a decrease of 0.02% or -COP 16,492, closing March 2024 with a balance of COP 73,753,224, mainly due to a variation in Consumer -1.12%. On the other hand, growth in Mortgage products +0.50% and Commercial +0.21% stands out, mainly driven by the development of customer-centric strategies, strengthening accessibility through digital products thanks to the update of the mobile application, creating value offers in products that provide greater benefits, and bolstering the commercial sales force in the offices.

The Impairment account, which corresponds to specific and generic portfolio provisions, grew by +5.81%. This variation responds to the impact of inflation on customer payment behavior and is reflected in the increase of the portfolio delinquency rate, reaching a maximum growth of 19 bps during the period. The Other Assets account showed an increase of 25.67% or +COP 1,057,382.

With regard to the liabilities accounts, for the closing of the first quarter of 2024, the liabilities showed a decrease of 3.63%, a variation explained by the reduction in financial instruments at fair value -27.17% and passive positions in market operations -21.07%. The deposits and liabilities decreased by 0.67% or -COP 530,895, ending with a balance of COP 79,215,022. This variation is mainly due to a reduction of -COP 936,622 in Savings Deposits, -COP 175,559 in Special Deposits, -COP 136,912 in Liabilities for Services, partially offset by +COP 693,283 in Time Deposit Certificates (TDCs), and +COP 29,083 in Current Account Deposits.

Passive positions in market operations decreased by COP 573,187, due to a variation of -COP 703,769 in short position commitments partially offset by +COP 49,851 in repurchase agreements and +COP 604 in reverse repurchase agreements.

Financial Instruments at Fair Value closed with a balance of COP 6,961,664, representing a decrease of 27.17% or -COP 2,597,383 compared to 2023. This variation is mainly due to a decrease in trading forwards of -COP 2,221,565 and trading swaps of -COP 327,980. Conversely, trading options increased by -COP 33,655.

The line of Credits with Banks and Other Financial Obligations presented a decrease of COP 4,359, due to a variation of -COP 66,368 in Foreign Financial Entities, of -COP 55,467 in obligations with Finagro, of -COP 47,529 in obligations with Findeter, and is partially offset by Bancoldex with a variation of +COP 109,296 and Others with a variation of +COP 47,702.

Accounts payable showed a negative variation of 5.29% along with labor liabilities of 4.87%. Other liabilities increased by 24.64% or COP 174,545, closing with a balance of COP 883,036.

Finally, Equity experienced a decrease of 2.93% closing at COP 5,761,916 for the first quarter of 2024. Although this behavior is explained by a decrease in profits, it is partially offset by an increase in the capitalization of reserves and the reinvestment of earnings, supporting the execution of strategies that enable the acquisition and retention of customers through the offering of financial solutions tailored to their needs.

a. Loan Portfolio

For the first quarter of 2024, BBVA's loan portfolio was aligned with the macroeconomic events faced by the country, impacted by the growth of inflation and interest rates. Thus, BBVA seeks to maintain growth aligned with the intention of achieving the inflation objectives set by the Central Bank, generating benefits to customers through healthy financing.

As of March 2024, the gross loan portfolio closed with a balance of COP 73,753,224 and showed a variation of -0.02% compared to 2023. The net loan portfolio showed a variation of -0.33% and closed with a balance of COP 69,862,846, highlighting the recovery of the total current portfolio with significant growth in commercial loans of 0.21% and mortgages of 0.50%.

LOAN PORTFOLIO

(Balances at a Point in Time - Millions of Colombian pesos)

	Mar-23	Dec-23	TAM Var	
Gross Loan Portfolio	**73,753,224**	**73,769,716**	**(16,492)**	**(0.02)**
Consumer	26,201,834	26,498,249	(296,415)	(1.12)

Commercial	28,218,119	28,159,734	58,385	0.21
Micro-credits	-	-	-	C.N.
Mortgages	14,440,979	14,369,571	71,408	0.50
Leasing	1,909,909	1,938,697	(28,788)	(1.48)
Non-performing loan portfolio	544,554	504,454	40,100	7.95
Delinquent loan portfolio	2,437,829	2,299,011	138,819	6.04
Provisions	(3,890,379)	(3,676,715)	(213,664)	(5.81)
Net Loan Portfolio	**69,862,846**	**70,093,001**	**(230,155)**	**(0.33)**

The Individual segment, which represents 55.1% of the gross portfolio at the end of March 2024, composed of consumer and mortgage portfolios, experienced a decrease of 0.6% compared to 2023 and closed with a balance of COP 40,642,813.

The consumer loan portfolio, made up of Payroll Loan, Vehicle, Free Investment, Revolving Credit, Individual Credit Cards and Individual Overdraft loans, presented an annual decrease of 1.12%. Payroll loans hold the largest share in the consumer loan portfolio, followed by Credit Card and Vehicle loans. The growth in Payroll Loans compared to the previous year (+1.0%) stood out. Notably, Payroll loans grew by +1.0% compared to the previous year.

On the other hand, the mortgage portfolio experienced a growth of 0.50%, representing a variation of +COP 71,408. By the end of the first quarter of 2024, it represented 19.6% of the gross portfolio.

Additionally, the current portfolio of companies has experienced a variation of +0.1% compared to December 2023, showing a growth of +COP 29,597. This result reflects BBVA's commitment to the business sector, consolidating its position as a partner that promotes the advancement of new initiatives through its financial support.

Finally, the healthy decrease in credit along with the 19 bps increase in the non-performing loan index derived from the current market situation reflects a total 0.33% decrease in the net loan portfolio for the first quarter of 2024.

b. Customer Funds

At the close of the first quarter of 2024, client resources remained aligned with the bank’s liquidity needs, which in turn translated into beneficial investment opportunities for clients, who achieved attractive returns and suitable options to grow their capital safely and effectively.

The total customer resources decreased by 0.67%, representing a variation of -COP 530,895, closing the quarter at COP 79,215,022. This decrease is mainly explained by a variation in Savings deposits of -COP 948,375 (+3.00%) and partially offset by CDTs of +COP 693,294 (+1.90%), driven by higher interest in the product due to attractive rates and effective resource mobilization through digital offerings strategies.

CUSTOMER FUNDS
(Millions of Colombian pesos)

	Mar-24	Dec-23	TAM Var	
Demand deposits	7,956,028	7,926,945	29,083	0.37
Savings deposits	30,648,914	31,597,289	(948,375)	(3.00)
Certificates of deposit	37,180,113	36,486,819	693,294	1.90
Other deposits	901,317	1,215,532	(314,215)	(25.85)
Total customer deposits	**76,686,372**	**77,226,585**	**(540,212)**	**(0.70)**
Outstanding Investment Securities	2,528,649	2,519,332	9,317	0.37
Total customer funds	**79,215,022**	**79,745,917**	**(530,895)**	**(0.67)**

Transactional deposits (Checking and Savings) decreased by 2.3%, closing March 2024 with a balance of COP 38,604,942, which represented a variation of -COP 919,291. These deposits accounted for 48.7% of total customer funds.

The investment securities outstanding closed at COP 2,528,649 and showed a variation of +0.37% compared to the end of 2023.

c. Sufficient Equity and Solvency Ratio

For BBVA, prioritizing growth and financial efficiency in the management of its equity is of utmost importance, with the aim of ensuring a solid foundation that provides financial support for investors, customers, and stakeholders.

The Accounting Equity of the entity showed a variation of -2.9% and closed at COP 5,761,916. The behavior is mainly explained by the decrease of -COP 355,541 in earnings for the period, partially offset by a variation in reserves of +COP 191,089.

The Technical Equity closed the first quarter of 2024 with a balance of COP 7,523,972 and showed a variation of -3.6%. The required equity according to Colombian regulations was positioned at COP 7,169,557, which means an equity surplus of COP 354,415. This demonstrates the structural solidity of BBVA's equity, also meeting the minimum requirements set in the current regulations.

ADEQUATE EQUITY AND SOLVENCY RATIO:
(Millions of Colombian pesos)

	May-24	Dec-23	%
Book equity	**5,761,916**	**5,935,967**	**(2.9)**
Computable sufficient equity	7,523,972	7,805,468	(3.6)
Ordinary core equity	4,867,274	5,121,851	(5.0)
Additional core equity	825,872	825,872	-
Additional Equity	1,830,826	1,857,745	(1.4)
Technical equity	**7,523,972**	**7,805,468**	**(3.6)**
Required sufficient equity	7,169,557	7,243,438	(1.0)
Surplus equity	354,415	562,030	(36.9)
Weighted Assets and Contingencies by Risk Level	**51,322,458**	**51,900,125**	**(1.1)**
Value at Risk (VaR)	456,023	468,176	(2.6)
Operational Value at Risk (OpVaR)	535,914	529,590	1.2
Solvency Ratio without VaR	14,66	15,04	-38 bps
Solvency Ratio with VeR (minimum 11.5%)	12,07	12,39	-32 bps
Tier 1 ratio (%)1	9,13	9,44	-31 bps

The Risk-Weighted Assets closed at COP 51,322,458 and showed a decrease of 1.1%. On the other hand, the Market Value at Risk (VaR) decreased by 2.6%.

The Bank's solvency ratio closed at 12.07%, which is above the minimum required level of 11.5% for a systemically important entity, as established in current regulations. This variation demonstrates efficient capital management, supporting the continuity of the business, leveraging growth, and absorbing unexpected losses.

d. Income Statement

Here are the consolidated results of BBVA Colombia at the end of the first quarter of 2024 and 2023:

ACCUMULATED INCOME STATEMENT

(Millions of Colombian pesos)

	Mar-24	Mar-23	TAM Var	
Loan Portfolio	2,497,846	2,212,402	285,445	12.9
Interest expenses	(1,790,353)	(1,576,088)	(214,265)	13.6
NET INTEREST INCOME	**707,493**	**636,314**	**71,180**	**11.2**
NET FEE INCOME	**63,767**	**87,641**	**(23,874)**	**(27.2)**
Investment portfolio	358,197	335,857	22,341	6.7
Dividends	15,041	10,855	4,186	38.6
Other income	108,629	62,640	45,989	73.4
OTHER OPERATING INCOME	**481,867**	**409,351**	**72,516**	**17.7**
GROSS MARGIN	**1,253,128**	**1,133,306**	**119,822**	**10.6**
Net asset provision	**(665,927)**	**(356,862)**	**(309,065)**	**86.6**
Administration Overhead Expenses	**(748,015)**	**(638,980)**	**(109,035)**	**17.1**
Personnel expenses	(252,094)	(227,416)	(24,677)	10.9
Overhead	(171,822)	(136,689)	(35,133)	25.7
Taxes and contributions	(92,691)	(67,195)	(25,496)	37.9
Others	(230,553)	(205,142)	(25,411)	12.4
Operational risk	(856)	(2,538)	1,683	(66.3)
OPERATING EXPENSES	**(1,413,942)**	**(995,843)**	**(418,100)**	**42.0**
PRETAX EARNINGS	**(160,814)**	**137,463**	**(298,278)**	**(217.0)**
Income tax	(39)	(49,198)	49,159	(99.9)
NET PROFIT	**(160,853)**	**88,265**	**(249,118)**	**(282.2)**

The interest margin recorded a year-on-year growth of 11.2%. Income from the loan portfolio registered an increase of COP 285,445 while expenses increased by COP 214,265. Consequently, net interest income saw an increase of COP 71,180. It is important to highlight the growth in BBVA's portfolio share, which is the result of good commercial management taking advantage of the central bank's rate decrease despite the healthy credit decrease trend in the Colombian market.

On the one hand, net fee income decreased, while other operating income drove the increase in BBVA's earnings. Net fee income showed a variation of (-27.2%), partially offset by other operating income (+17.7). This latest variation is the result of the implementation of effective strategies to improve the customer experience by enhancing accessibility through digital offerings, a variety of transactional solutions, investment, and financing, ultimately achieving tangible benefits and reinforcing a reliable and robust image.

Additionally, dividends saw a rise of 38.6%, closing with a balance of COP 15,041, and the line of other income, which includes operational revenue from financial services provided, operational risk recoveries, and others, recorded an increase of 73.4%.

The net provision for assets closed with a balance of COP 665,927, marking an increase of 86.6%. This change was due to the behavior of the delinquency portfolio index, which increased by 19 basis points in the last quarter, leading to an increase in provisions to mitigate risks.

Administrative expenses increased by COP 109,035 compared to the same period the previous year. These variations are explained by the increase in taxes of +39.0%, Other (Miscellaneous) of +12.4%, and personnel expenses of +10.9% when compared to the year 2023. In turn, general expenses increased by 25.7%.

Finally, BBVA Colombia reported a net income for the end of March 2024 of -COP 160,853, which was 282.2% lower than the previous year's profit.

e. Performance Measures and Indicators

The appropriate risk management conducted at BBVA Colombia enables it to carry out its commercial operations while maintaining good portfolio quality indicators and a prudent risk profile.

As of March 2024, the portfolio quality indicator stood at 3.31%. On the other hand, the Delinquency Portfolio Coverage ratio stood at 159.58%.

DELAYED PORTFOLIO AND COVERAGE
(Millions of Colombian pesos)

	Mar-24	Dec-23	TAM Var
Gross Loan Portfolio	**73,753,224**	**73,769,716**	**0.0%**
Total non-performing loan portfolio	2,982,383	2,803,465	6.4%
Non-performing loan portfolio	544,554	504,454	7.9%
Delinquent loan portfolio	2,437,829	2,299,011	6.0%
Portfolio Indexes	**%**	**%**	**%**
Non-performing loan portfolio	0.74	0.68	0.05
Delinquent loan portfolio quality	3.31	3.12	0.19
Provisions	3,890,379	3,676,715	5.81%
Delinquent loan portfolio hedging	159.58	159.93	-0.34

Consolidated Financial Statements

For the first quarter of 2024, the total assets of BBVA Colombia closed with a balance of COP 102,295,111, showing a decrease of 3.41%, equivalent to a variation of -COP 3,615,064. This behavior is mainly explained by a decrease in Cash and Cash Equivalents of -28.32% and derivative financial instruments and spot transactions of -27.16%, partially offset by a growth in Other Assets of 20.68% and Investments of 12.36%.

CONSOLIDATED BALANCE SHEET

(Balances at a Point in Time - Millions of Colombian pesos)

	Mar-24	Dec-23	TAM Var	
Cash and cash equivalents	8,017,360	11,185,473	(3,168,113)	(28.32)
Derivative Financial Instruments and Cash Operations	6,948,283	9,539,609	(2,591,326)	(27.16)
Investments	11,143,531	9,917,564	1,225,967	12.36
Loan portfolio and leasing	73,753,224	73,769,716	(16,492)	(0.02)
Impairment	(3,038,642)	(3,035,976)	(2,667)	0.09
Other assets	5,471,355	4,533,788	937,566	20.68
Assets	102,295,111	105,910,175	(3,615,064)	(3.41)
Deposits and current liabilities	76,645,370	77,154,318	(508,948)	(0.66)
Passive positions in market operations	2,146,867	2,718,258	(571,391)	(21.02)
Financial instruments at fair value	6,961,664	9,559,047	(2,597,383)	(27.17)
Banks and other financial obligations	5,133,515	5,137,874	(4,359)	(0.08)
Outstanding investment securities	2,528,649	2,519,332	9,317	0.37
Tax Liabilities	111,684	126,526	(14,842)	(11.73)
Estimated Liabilities and Provisions	385,257	259,419	125,838	48.51
Accounts Payable	1,011,521	1,021,094	(9,573)	(0.94)
Labor liabilities	326,752	344,902	(18,150)	(5.26)
Other Liabilities	538,806	495,458	43,348	8.75
Liabilities	95,790,085	99,336,228	(3,546,143)	(3.57)
Share capital	89,779	89,779	-	-
Other components of equity	-	-	-	C.N.
Share issue premium	651,950	651,950	-	-
Non-controlling interests	7,873	9,518	(1,645)	(17.28)
Reserves and earmarked funds	4,750,950	4,559,860	191,090	4.19
Surplus	1,140,338	1,018,983	121,355	11.91
Gains or losses	(135,864)	243,856	(379,720)	155.71
Equity	6,505,026	6,573,947	(68,921)	(1.05)
Total liabilities and equity	102,295,111	105,910,174	(3,615,064)	(3.41)

In terms of the Bank's liquidity resources, available assets showed a decrease of -COP 3,168,113 compared to 2023. This decrease is explained by the variation of -COP 2,107,468 in money market operations and -COP 1,060,645 in cash and bank deposits.

Derivative financial instruments and spot transactions closed with a balance of COP 6,948,283, showing a decrease of -COP 2,591,326, mainly explained by the variation in trading operations (-COP 2,565,559).

Investments showed a positive change of COP 1,225,967, closing with a balance of COP 11,143,531. This behavior is explained by a variation in investments at fair value with a change in OCI of COP 747,191, investments at fair value with a change in income delivered in investments of +COP 298,553, and in investments at amortized cost of +COP 180,223.

The Loan Portfolio and Leasing recorded a decrease of 0.02% or -COP 16,492, closing March 2024 with a balance of COP 73,753,224, highlighting growth in Housing (+0.59%) and Commercial (+0.15%) products. This variation is driven by the development of customer-centric strategies, strengthening accessibility through digital products by updating the mobile application, creating value offers in products that provide greater benefits, and enhancing the commercial sales force in the offices.

The Impairment account, which corresponds to specific and generic portfolio provisions, grew by 0.09%. This variation responds to the impact of inflation on customer payment behavior and is reflected in the increase of the portfolio delinquency rate, reaching a maximum growth of 19 bps during the period. The Other Assets account showed an increase of 20.68% or +COP 937,567.

With regard to the liabilities accounts, for the closing of the first quarter of 2024, the liabilities showed a decrease of 3.57%, a variation explained by the reduction in financial instruments at fair value -27.17% and passive positions in market operations -21.02%. The deposits and liabilities decreased by 0.66% or -COP 508,948, ending with a balance of COP 76,645,370.

Financial instruments at Fair Value ended with a balance of COP 6,961,664, marking a decrease of 27.17% or -COP 2,597,383 compared to the end of 2023. The variation is explained by the decrease in trading instruments (-COP 2,583,047).

The line of Credits with Banks and Other Financial Obligations showed a decrease of -COP 4,359. The outstanding investment securities experienced a positive variation of COP 9,317.

The accounts payable showed a variation of -0.94%, in addition to labor obligations varying -5.26%, mainly due to the decrease in long-term labor obligations (-COP 18,150). Other liabilities increased by 8.75% or COP 43,348, closing at COP 538,806.

Finally, Equity experienced a decrease of 1.05% closing at COP 6,505,026 for the first quarter of 2024. Although this behavior is explained by a decrease in profits, it is partially offset by an increase in the capitalization of reserves and the reinvestment of earnings, supporting the execution of strategies that enable the acquisition and retention of customers through the offering of financial solutions tailored to their needs.

f. Loan Portfolio

For the first quarter of 2024, BBVA's loan portfolio was aligned with the macroeconomic events faced by the country, impacted by the growth of inflation and interest rates. Thus, BBVA seeks to maintain growth aligned with the intention of achieving the inflation objectives set by the Central Bank, generating benefits to customers through healthy financing.

As of March 2024, the gross loan portfolio closed with a balance of COP 73,753,224 and showed a variation of -0.02% compared to 2023. The net loan portfolio showed a variation of -0.03% and closed with a balance of COP 70,714,582, highlighting the recovery of the total current portfolio with significant growth in commercial loans of 0.15% and mortgages of 0.59%.

LOAN PORTFOLIO

(Balances at a specific point in time - Millions of COP)

	Mar-24	Dec-23	TAM Var	
Gross Loan Portfolio	**73,753,224**	**73,769,716**	**(16,492)**	**(0.02)**
Consumer	28,265,899	28,420,223	(154,324)	(0.54)
Commercial	30,544,039	30,499,494	44,545	0.15
Micro-credits	2	2	-	-
Mortgages	14,341,861	14,258,054	83,807	0.59
Employees	601,424	591,943	9,481	1.60
Provisions	(3,038,642)	(3,035,976)	(2,667)	(0.09)
Net Loan Portfolio	**70,714,582**	**70,733,740**	**(19,158)**	**(0.03)**

The Individual segment, which represents 57.8% of the gross portfolio at the end of March 2024, composed of consumer and mortgage portfolios, experienced a decrease of 0.2% compared to 2023 and closed with a balance of COP 42,607,760.

The consumer loan portfolio, made up of Payroll Loan, Vehicle, Free Investment, Revolving Credit, Individual Credit Cards and Individual Overdraft loans, presented an annual decrease of 0.54%.

On the other hand, the mortgage portfolio experienced a growth of 0.59%, representing a variation of +COP 83,807. By the end of the first quarter of 2024, it represented 19.4% of the gross portfolio.

Finally, the net loan portfolio increased by 0.03%, as a result of the adequate risk management by the teams and a greater resilience of the economy to the obstacles faced.

g. Customer Funds

At the close of the first quarter of 2024, client resources remained aligned with the bank's liquidity needs, which in turn translated into beneficial investment opportunities for clients, who achieved attractive returns and suitable options to grow their capital safely and effectively.

The total customer resources decreased by 0.63%, representing a variation of -COP 499,631, closing the quarter at COP 79,174,019. This decrease is mainly explained by a variation in sight deposits of -COP 1,202,242 (-2.96%) and partially offset by CDTs of +COP 693,294 (+1.90%), due to increased interest in the product for attractive rates and good management in resource mobilization through effective strategies in digital offerings.

CUSTOMER FUNDS

(Millions of Colombian pesos)

	Mar-24	Dec-23	TAM Var	
Demand deposits	39,465,257	40,667,499	(1,202,242)	(2.96)
Term deposits	37,180,113	36,486,819	693,294	1.90
Total customer deposits	**76,645,370**	**77,154,318**	**(508,948)**	**(0.66)**
Outstanding Investment Securities	2,528,649	2,519,332	9,317	0.37
Total customer funds	**79,174,019**	**79,673,650**	**(499,631)**	**(0.63)**

Transactional deposits (Checking and Savings) decreased by 2.96%, closing March 2024 with a balance of COP 39,465,257, which represented a variation of -COP 1,202,242. These deposits accounted for 49.8% of total customer funds.

The investment securities outstanding closed at COP 2,528,649 and showed a variation of +0.37% compared to the end of 2023.

h. Sufficient Equity and Solvency Ratio

For BBVA, prioritizing growth and financial efficiency in the management of its equity is of utmost importance, with the aim of ensuring a solid foundation that provides financial support for investors, customers, and stakeholders.

The Accounting Equity of the entity showed a variation of +1.27% and closed at COP 6,657,272. This behavior is mainly explained by the growth of COP 588,897 in retained earnings, COP 191,090 in reserves, and partially offset by a variation in other comprehensive income of -COP 404,169.

The Technical Equity closed the first quarter of 2024 with a balance of COP 7,532,356 and showed a variation of -3.61%. The required equity according to Colombian regulations was positioned at COP 7,187,486, which means an equity surplus of COP 344,869. This demonstrates the structural solidity of BBVA's equity, also meeting the minimum requirements set in the current regulations.

ADEQUATE EQUITY AND SOLVENCY RATIO:

(Millions of Colombian pesos)

	Mar-24	Dec-23	%
Book equity	**6,505,026**	**6,573,947**	**(1.05)**
Computable sufficient equity	7,532,356	7,814,098	(3.61)
Ordinary core equity	4,875,658	5,130,481	(4.97)
Additional core equity	825,872	825,872	-
Additional Equity	1,830,826	1,857,745	(1.45)
Deductions for securitizations with lower credit quality	-	-	-
Technical equity	**7,532,356**	**7,814,098**	**(3.61)**
Required sufficient equity	7,187,486	7,262,735	(1.04)
Surplus equity	344,869	551,363	(37.45)
Weighted Assets and Contingencies by Risk Level	**51,244,973**	**51,784,531**	**(1.04)**
Value at Risk (VaR)	462,489	474,632	(2.56)
Solvency Ratio without VaR	14.70	15.09	(39.09)
Solvency Ratio with VeR (minimum 11.5%)	12.05	12.37	(32.12)
Tier 1 ratio (%)[1]	7.80	9.43	(163.04)

[1] Basic equity relative to risk-weighted assets

The Risk-Weighted Assets closed at COP 51,244,973 and showed a decrease of 1.04%. On the other hand, the Market Value at Risk (VaR) decreased by 2.56%.

The Bank's solvency ratio closed at 12.05%, which is above the minimum required level of 11.5% for a systemically important entity, as established in current regulations. This variation demonstrates efficient capital management, supporting the continuity of the business, leveraging growth, and absorbing unexpected losses.

i. Income Statement

The following presents the accumulated results of the BBVA Colombia group at the close of the first quarter of 2024 and 2023:

ACCUMULATED CONSOLIDATED INCOME STATEMENT

(Millions of Colombian pesos)

	Mar-24	Mar-23	TAM Var	
Loan Portfolio	2,483,986	2,218,213	265,773	11.98
Interest expenses	(1,788,441)	(1,574,684)	(213,757)	13.57
NET INTEREST INCOME	**695,545**	**643,529**	**52,016**	**8.08**
NET FEE INCOME	**115,930**	**117,551**	**(1,621)**	**(1.38)**
Investment portfolio	352,172	331,352	20,820	6.28
Dividends	15,041	11,533	3,508	30.42
Other income	22,219	65,313	(43,094)	(65.98)
OTHER OPERATING INCOME	**389,432**	**408,198**	**(18,766)**	**(4.60)**
GROSS MARGIN	**1,200,907**	**1,169,278**	**31,629**	**2.71**
Net asset provision	**(632,820)**	**(353,409)**	**(279,411)**	**79.06**
General administrative expenses	**(769,912)**	**(651,871)**	**(118,041)**	**18.11**
Personnel expenses	(261,244)	(234,690)	(26,554)	11.31
Overhead	(174,477)	(138,665)	(35,812)	25.83
Taxes and contributions	(93,552)	(67,930)	(25,622)	37.72
Others	(238,266)	(206,275)	(31,991)	15.51
Operational risk	(2,373)	(4-311)	1,938	(44.95)
OPERATING EXPENSES	**(1,402,732)**	**(1,005,280)**	**(397,452)**	**39.54**
Minority interest	(567)	(573)	6	(1.12)
PRETAX EARNINGS	**(202,392)**	**163,425**	**(365,817)**	**(223.84)**
Income tax	66,528	(66,332)	132,860	(200.30)
NET PROFIT	**(135,864)**	**97,093**	**(232,957)**	**(239.93)**

The interest margin recorded a year-on-year growth of 8.08%. Income from the credit portfolio registered an increase of COP 265,773 and expenses decreased by -COP 213,757. Thus, net interest income decreased by COP 52,016.

Regarding to it, net commission income showed a variation of (-1.38%), also alongside other operating income (-4.60%). This latest variation is explained by a decrease in other income (-COP 43,094) which includes operational income from financial services provided, recoveries from operational risk and others, and is partially offset by investment portfolios (+COP 20,820) and dividends (+COP 3,508) resulting from the implementation of effective strategies to enhance the customer experience by enabling their accessibility through digital offerings, a variety of solutions in transactions, investment, and financing, achieving tangible benefits and simultaneously consolidating a reliable and robust image.

The net provision for assets closed with a balance of COP 632,820, marking an increase of 79.05%. This change was due to the behavior of the delinquency portfolio index, which increased by 19 basis points in the last quarter, leading to an increase in provisions to mitigate risks.

Administrative expenses increased by +COP 118,041 compared to the same period last year. This is explained by the variation in expenses in contributions and taxes, which increased by 37.72%, and General Expenses by 25.83% when compared to the year 2023.

Finally, BBVA Colombia reported a net income for the end of March 2024 of -COP 135,864, which was 239.93% lower than the previous year's profit.

j. Performance Measures and Indicators

The appropriate risk management conducted at BBVA Colombia enables it to carry out its commercial operations while maintaining good portfolio quality indicators and a prudent risk profile.

PORTFOLIO AND COVERAGE
(Millions of Colombian pesos)

	Mar-24	Dec-23	TAM Var
Gross Loan Portfolio	**73,753,224**	**73,769,716**	**-0.02%**
Portfolio Indexes	**%**	**%**	**%**
Provisions	3,038,642	3,035,976	0.09%
Gross Portfolio Coverage	4.12%	4.12%	0

As of March 2024, the gross portfolio coverage ratio stood at 4.12%.

Quantitative and Qualitative Analysis of Risks to which the Issuer is exposed as a result of its Investments and to Activities sensitive to Market Variations

Market risk is defined as the potential for the group to incur losses related to the decrease in value of its portfolio due to price changes in the financial instruments in which it has exposure. While the group manages its risks individually, it maintains a corporate methodology to manage market risk stemming from its operational activities, aiming to limit potential losses, quantify the economic capital needed to conduct its activities, and optimize the balance between assumed exposure level and set results.

To have the maximum guarantees for this management, the Bank has developed a series of organizational, identification, measurement, control and monitoring systems and policies of the risks inherent to trading, as well as balance sheet transactions.

The Market Risk policies and management remain in compliance with what was disclosed as of December 31, 2023.

In the first quarter of 2024, the average market risk consumption (VaR) for trading activities was COP 14,548 million, with consumption exceeding the internal limit for authorized economic capital by 53%. The average interest rate sensitivity to a one basis point shift (Delta) was COP 357 million, with 53% of the authorized internal limit consumed. These consumptions evidence an increase in exposure generated by a higher treasury operation as a result of managing flows from both local and offshore customers, expectation of interest rate cuts by the Central Banks of the United States, Europe, and Colombia, and a peso revaluation.

Evolution of the trading market risk: Throughout the first quarter of 2024, daily measurements and controls of the consumption levels of the approved internal limits were conducted, regularly reporting compliance to senior management.

It is important to highlight that the first quarter of 2024 was marked by several international and national fundamentals that generated volatility in both exchange rates and interest rates that had to be managed in the portfolio. Regarding the exchange rate, the peso's revaluation trend continued, reaching fluctuation levels breaking the lower limit of 3,900 COP and settling at levels of 3,842 COP at the end of the quarter. Regarding the Monetary Policy rate, it was set at 12.25% according to the decision of the Board of the Central Bank of Colombia to continue with the rate cut aiming to reach the 2025 inflation target between 2% and 3%. During the first quarter of the year, alerts were raised regarding market risk metrics at the desk level, which have been fulfilling their purpose as early warnings for the VaR. Some limit breaches have occurred, which were managed to ensure timely compliance with the limits and the approved risk appetite framework for the Bank.

Material variations that have occurred in the Risks to which the Issuer is exposed, other than Market Risks, and the Mechanisms implemented to mitigate them.

Liquidity Risk

The liquidity and funding risk is defined as the inability of a financial entity to meet its payment obligations due to lack of funds or the need to obtain funds under particularly onerous conditions to meet them.

The principles and guidelines of Liquidity Risk Management remain in accordance with what was disclosed as of December 31, 2023.

During the first quarter, there is a decrease in Net Credit Investment of COP 45 billion, while customer resources remain stable with a decrease of COP 39 billion, resulting in a reduction of COP 228 billion in customer gap. The main liquidity movements on the balance sheet are the decrease in cash in USD, a lower active position in the money market, and improved cash in COP that funds the increase in the trading portfolio. The credit activity has slowed down, and the largest outflows of resources occurred in government banking customers.

The market and structural risk area carries out the usual daily monitoring in which the liquidity situation of the bank is presented, both in the short term and structurally, accompanied by different risk indicators and informing the senior management appropriately. The internal and regulatory limits are within the established thresholds. During the quarter, no alerts were reported in liquidity risk and financing metrics.

Quarterly Operational Risk Profile Report

Operational risk profile variations

In March 2024, the continuous risk and control assessment process, Risk Control Self-Assessment, began. There has been a subtle variation in the inherent risk profile regarding the most relevant risks of the Entity (inherently valued based on the gross margin - level 1, 2, and 3) compared to the previous quarter. The quantity of risks at the inherent level 1 has increased due to the prudent attention to the provisions of the Public Notice 008 of 2023 from the SFC[1] "Internal Control System" related to high-level controls.

Closure	Number of risks at the Inherent level					
	1	2	3	4	5	Other
Dec 23	1%	24%	72%	2%	1%	-
Mar 24	2%	23%	71%	2%	1%	2%

The residual risk profile shows that 88% of the risks are concentrated at levels 4 and 5 (medium-low criticality), with the remaining risks at higher risk levels.

Closure	Number of risks at Residual level					
	1	2	3	4	5	Other
Dec 23	0.2%	1%	8%	66%	24%	0.5%
Mar 24	0.2%	1%	5%	65%	23%	6%

The trend of risks at residual level 1 remains in response to: i) fraud behavior through digital channels, which is being rigorously monitored with continuous mitigation and control measures against new modalities and threats due to the development of transactional digital environments, and ii) the progress of defined strategic action plans that, after implementation, will drive the reassessment of associated risks.

[1] Financial Superintendence of Colombia

Corporate governance

In compliance with section 8.4.1.2.2 of Public Notice 012 of 2022, the material changes in the Corporate Governance chapter of the latest end-of-period report are hereby disclosed.

Statutory Reform

During the ordinary meeting held on March 22, 2024, the General Meeting of Shareholders approved the amendment to the Articles of Association, carried out considering, firstly, the adjustment of the functions of the Board of Directors to align with the new regulations related to the Internal Control System (CE008/2023) and the Comprehensive Risk Management System - SIAR (CE018/2021).

Secondly, it was proposed to increase the number of members of the Board of Directors from 5 to 7. In order to enhance the strategic vision of the Bank and add value to achieving objectives, this change aimed to integrate additional profiles with the necessary competencies, particularly in areas such as sustainability, social management, internal control, and compliance.

Finally, corrections have been made to the wording of the Articles of Association in order to provide clarity to the proposed texts.

The details of the modifications made can be consulted at the following link: https://www.bbva.com.co/personas/atencion-al-inversionista/gobierno-corporativo/asamblea-accionistas.html#2024

Corporate Governance Code Reform

To adopt the recommendation of the External Audit, a review and reform of the Bylaws of the General Meeting of Shareholders has been carried out. This reform involves the elimination of the section related to related party transactions and its transfer to the Corporate Governance Code as an independent section called "Related Party Transactions," which includes the following subtopics: i) definition, ii) approval, and iii) disclosure.

Within the "Approval" section, a differentiation of transactions with related parties is established based on their recurrence and materiality. The Board of Directors is designated as the responsible body for approving material transactions.

Furthermore, as a result of the amendments made to the Bylaws, the corresponding provisions in the Board of Directors' Internal Regulations have been adjusted.

Board of Directors Election for the statutory period 2024 – 2026 and remuneration

At the proposal of the Corporate Governance, Sustainability, and Social Responsibility Committee, and the Board of Directors, and taking into account the recommendations of the Country Code, with the aim of promoting diversity and having individuals with different profiles, knowledge, experience, and qualities, at the ordinary meeting on March 22, 2024, the

General Meeting of Shareholders approved the following slate: Carlos Caballero Argaez, Camila Escobar Corredor, Xavier Queralt Blanch, and Mario Pardo Bayona continue as board members, and Cristina Vélez Valencia and Fernando del Carre González del Rey join the board.

For the purposes set forth in Article 44 of Law 964 of 2005, Carlos Caballero Argaez, Camila Escobar Corredor, Luis Julián Martín Carranza Ugarte, and Cristina Vélez Valencia are recognized as independent individuals.

Cristina Vélez Valencia, Director who aspires has the following experience and trajectory:

She holds a degree in Business Administration and Management and History. He has worked as a research assistant at the University of Los Andes, has held managerial positions at the Women's Affairs Secretariat and the Social Integration Secretariat. Furthermore, she has served as Vice President of Public-Private Articulation and as a Professor of Colombian Business History for undergraduate studies at CESA. Currently, she holds the position of Dean of the School of Management at EAFIT University.

Fernando del Carre González del Rey, Director who applies has the following experience and career path.

Holds a degree in Law. He joined BBVA (Spain) in 1992 as Director of Audit in Network and Credit, later holding the same position for EyP and South America. He also served as Audit Director in Mexico for BBVA Bancomer. Finally, he assumed the role of Audit Director at BBVA Spain, where he also supervised the reporting.

Regarding fees, for the non-executive members of the Board of Directors, the sum of EIGHT MILLION FIVE HUNDRED THOUSAND PESOS (COP 8,500,000.00) was approved; for the Chairman of the Board, considering the additional functions he performs, the sum of TEN MILLION FIVE HUNDRED THOUSAND PESOS (COP 10,500,000.00) was approved. The payment will be made monthly for fees related to membership, attendance, and participation in the Board of Directors' session and various support committees. For appropriations, the amount of up to COP 660,000,000 was approved.

Reappointment of the External Audit Firm and Fees

The General Meeting of Shareholders held on March 22, 2024 approved the re-election of ERNST & YOUNG AUDIT S.A.S as the statutory auditor of BBVA Colombia and its subsidiaries for the year 2024 until the approval of the Financial Statements for this fiscal year. For fees, the amount of up to (COP 3,416,000,000) plus VAT was approved for the fiscal year 2024.

Financial Consumer Ombudsman reappointment, appropriations, and fee setting

On January 29, 2024, BBVA's companies in Colombia announced in the Diario Portafolio their intention to receive proposals for the Financial Consumer Ombudsman service for the period 2024-2026. After evaluating two candidates on aspects such as independence, autonomy, bid elaboration, functionality, efficiency in customer service, responsiveness, team, and previous experience in similar services, the General Meeting of Shareholders on March 22, 2024 approved the re-election of Guillermo Enrique Dajud Fernández and Francisco Javier Perdomo

Londoño as Principal and Substitute Ombudsman for the financial consumer, respectively, for BBVA companies in Colombia.

An annual appropriation of COP 600 million pesos was approved for the fees of the Principal Consumer Advocate and other costs associated with the provision of the service, as well as the delegation to Management to review and modify the contracting terms, which includes fees, NSAs, improvement in prioritization processes, and timely attention to the strategies implemented by the Bank for handling PQRs, following the necessary assessments.

Quarterly financial statements

Condensed Separate and Consolidated with its explanatory notes

as of March 31, 2024

Consolidated Condensed Interim Financial Information and Explanatory Notes

as of March 31, 2024 and for the period from January 1 to March 31, 2024

Consolidation and Financial Statements

Bogotá, May 2024

CONTENTS

INTERIM FINANCIAL INFORMATION REVIEW REPORT

CERTIFICATION BY THE REGISTERED AGENT AND GENERAL ACCOUNTANT

The undersigned registered agent and accountant of BBVA Colombia S.A., under whose responsibility the Condensed Interim Consolidated Financial Statements were prepared, certify:

For the issuance of the Condensed Interim Separate Financial Statements as of March 31, 2024, of the Condensed Interim Consolidated Financial Statements and other comprehensive income for the three-month periods ended on that date, of changes in equity and statement of cash flows for the three-month period ended on that date, the assertions contained in them have been previously verified and the figures have been faithfully taken from the books.

Esther Dafauce Velázquez
Registered Agent

Wilson Eduardo Díaz Sánchez
Accountant
Professional License 62071-T

CONDENSED INTERIM CONSOLIDATED FINANCIAL POSITION
(Amounts in millions of Colombian pesos)

	NOTE		March 31, 2024		December 31, 2023
ASSETS					
Cash and cash equivalents	(8)	COP	8,017,360	COP	11,185,473
Financial investment assets, net	(9)		11,143,531		9,917,523
Derivative financial instruments and (asset) cash transactions	(10)		6,948,283		9,539,609
Loan portfolio and financial lease transactions, net	(11)		72,313,446		72,298,261
Accounts receivable, Net	(12)		1,523,247		812,424
Tangible assets, net	(13)		779,897		794,005
Investments in joint arrangements	(14)		167,071		167,573
Intangible assets, net	(15)		242,758		234,820
Non-current assets held for sale, net	(16)		126,132		109,970
Other assets, net			20,260		15,405
Income tax assets, net			1,013,126		835,070
Current taxes, net			1,013,126		835,070
Total assets			**102,295,111**		**105,910,133**
LIABILITIES					
Customer deposits	(17)		76,645,370		77,154,318
Derivative Financial Instruments and (Liability) Cash Transactions	(10)		9,108,531		12,277,305
Financial obligations	(18)		5,133,515		5,137,874
Outstanding investment securities	(19)		2,528,649		2,519,332
Accounts Payable	(20)		1,011,521		1,021,094
Other Liabilities			538,806		495,458
Employee benefits	(21)		326,752		344,902
Estimated Liabilities and Provisions	(22)		385,257		259,419
Income tax liabilities, net			111,684		126,514
Deferred tax, net			101,038		118,024
Current taxes, net			10,646		8,490
Total liabilities			**95,790,085**		**99,336,216**
SHAREHOLDERS' EQUITY					
Share capital	(23)		89,779		89,779
Share issue premium			651,950		651,950
Reserves	(24)		4,750,950		4,559,860
Retained Earnings			119,798		447,240

Other comprehensive income (OCI)		884,676		815,570
Total shareholders' equity		**6,497,153**		**6,564,399**
Minority interest		7,873		9,518
Total equity		6,505,026		6,573,917
Total liabilities and equity	**COP**	**102,295,111**	**COP**	**105,910,133**

See the attached notes, which are an integral part of the Condensed Interim Consolidated Financial Statements.

(1) The undersigned Registered Agent and Accountant certify that we have previously verified the assertions contained in these Condensed Interim Consolidated Financial Statements, and that they are faithfully derived from the bank's accounting records.

--
Esther Dafauce Velázquez
Registered Agent **(1)**

Wilson Eduardo Díaz Sánchez
General Accountant **(1)**
Prof. License 62071-T

Gloria Margarita Mahecha García
Statutory Auditor
Prof. License 45048-T
Appointed by Ernst & Young Audit S.A.S. TR-530
(Refer to my report of May 15, 2024)

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT
(Figures expressed in millions of Colombian pesos, except for basic earnings per share)

		For the three-month periods ending on:			
	NOTE		March 31, 2024		March 31, 2023
Interest and valuation income					
Loan portfolio and financial lease transactions		COP	2,483,986	COP	2,218,213
Valuation of financial instruments, net			234,981		411,535
Total interest and valuation income	(27)		**2,718,967**		**2,629,748**
Interest and valuation expenses					
Customer deposits			-1,632,976		-1,457,760
Financial obligations			-155,465		-116,924
Total interest and valuation expenses	(28)		**-1,788,441**		**-1,574,684**
Total net margin of interest and financial instrument valuation			**930,526**		**1,055,064**
Impairment of financial assets, net					
Impairment of loan portfolio and financial leases, net	(11)		-673,706		-383,330
Impairment of non-current assets held for sale			-10,335		-994
Recovery of financial investment assets			820		152
Recovery of impairment of property and equipment	(13)		218		1,733
Reversion of other impairment			50,183		29,030
Total impairment of financial assets, net			**-632,820**		**-353,409**
Fee revenues, net					
Fee revenues			275,392		237,903
Fee expenses			-159,462		-120,352
Total fee revenues, net	(29)		**115,930**		**117,551**
Other operating expenses					
Other operating revenues			230,537		72,499
(Loss) Income by equity method			-502		7,473
Other operating expenses			-845,496		-735,180
Total other operating expenses	(30)		**-615,461**		**-655,208**
(Loss) Income before income tax	(31)		-201,825		163,998
Income tax	(31)		-8,055		-6,216
Deferred Tax	(31)		74,583		-60,116
TOTAL CURRENT YEAR NET INCOME			**-135,297**		**97,666**
Net income attributable to:					

Owners of the controlling company		-135,864		97,093
Non-controlling interests		567		573
TOTAL CURRENT YEAR NET INCOME	**COP**	**-135,297**	**COP**	**97,666**

Refer to the attached notes, which form an integral part of these Condensed Interim Consolidated Financial Statements.

(1) The undersigned Registered Agent and Accountant certify that we have previously verified the assertions contained in these Condensed Interim Consolidated Financial Statements, and that they are faithfully derived from the bank's accounting records.

--
Esther Dafauce Velázquez
Registered Agent **(1)**

Wilson Eduardo Díaz Sánchez
General Accountant **(1)**
Prof. License 62071-T

Gloria Margarita Mahecha García
Statutory Auditor
Prof. License 45048-T
Appointed by Ernst & Young Audit S.A.S. TR-530
(Refer to my report of May 15, 2024)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Amounts in millions of Colombian pesos)

	Note	For the three-month period ending on:			
		March 31, 2024		March 31, 2023	
Statement of Income		COP	-135,297	COP	97,666
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss for the period:					
Gains (Losses) on other equity items of subsidiaries and joint ventures			46		-133
Impairment adjustment on loan portfolio and financial leasing transactions by application of IFRS 9 to Consolidated Financial Statements			148,122		93,145
Valuation of share in other comprehensive income of non-controlled entities			-17,247		12,148
Associated tax			-57,921		-60,619
Total items that will not be reclassified to income or loss for the period			73,000		44,541
Items that may subsequently be reclassified to profit or loss for the period:					
(Losses) Gains from new measurements of available-for-sale financial assets			-3,616		24,472
Losses from cash flow hedges			-2,680		-11,560
Associated tax			2,402		-4,652
Total items that may subsequently be reclassified to profit or loss for the period.			-3,894		8,260
Total Other Comprehensive Income			69,106		52,801
Total Comprehensive Income for the Period		COP	-66,191	COP	150,467

See the attached notes, which are an integral part of the Condensed Interim Consolidated Financial Statements.

(1) The undersigned Registered Agent and Accountant certify that we have previously verified the assertions contained in these Condensed Interim Consolidated Financial Statements, and that they are faithfully derived from the bank's accounting records.

--
Esther Dafauce Velázquez
Registered Agent **(1)**

Wilson Eduardo Díaz Sánchez
General Accountant **(1)**
Prof. License 62071-T

Gloria Margarita Mahecha García
Statutory Auditor
Prof. License 45048-T
Appointed by Ernst & Young Audit S.A.S. TR-530
(Refer to my report of May 15, 2024)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amounts in millions of Colombian pesos)

	Note	Subscribed and Paid-in Capital	Share issue premium	Reserves	Retained Earnings			Other comprehensive income (OCI)	Total shareholders' equity	Non-controlling interest	Total equity
					Net income for the period	Net income from previous period	Adjustment on first-time adoption of IFRS				
BALANCES AT December 31, 2022		COP 89,779	COP 651,950	COP 4,093,083	COP 1,026,275	COP 75,471	COP 32,451	COP 742,615	COP 6,711,624	COP 8,078	COP 6,719,702
Non-controlling interest (minority interest)											
Reserves		0	0	0	0	0	0	0	**0**	46	**46**
Valuation		0	0	0	0	0	0	0	**0**	133	**133**
Loss		0	0	0	0	0	0	0	**0**	-1392	**-1,392**
Transfers		0	0	0	-92,762	92,762	0	0	**0**	0	**0**
Dividends paid in cash on preferred and common shares		0	0	0	-466,736	0	0	0	**-466,736**	0	**-466,736**
Appropriation for legal reserve		0	0	466,777	-466777	0	0	0	**0**	0	**0**
Current year net income		0	0	0	97,093	0	0	0	**97,093**	573	**97,666**
Adjustment by sales force of retained earnings		0	0	0	0	0	1,721	0	**1,721**	0	**1,721**
Deferred taxes (net)		0	0	0	0	0	0	0	**0**	0	**0**
Other comprehensive income											
Movements of other comprehensive income		0	0	0	0	0	0	118,072	**118,072**	0	**118,072**
Deferred taxes, net		0	0	0	0	0	0	-65,271	**-65,271**	0	**-65,271**
BALANCES AT March 31, 2023		**COP 89,779**	**COP 651,950**	**COP 4,559,860**	**COP 97,093**	**COP 168,233**	**COP 34,172**	**COP 795,416**	**COP 6,396,503**	**COP 7,438**	**COP 6,403,941**

	Note	Subscribed and Paid-in Capital	Share issue premium	Reserves	Retained Earnings: Net income for the period	Retained Earnings: Net income from previous period	Retained Earnings: Adjustment on first-time adoption of IFRS	Other comprehensive income (OCI)	Total shareholders' equity	Non-controlling interest	Total equity
BALANCES AT December 31, 2023		**COP 89,779**	**COP 651,950**	**COP 4,559,860**	**COP 412,088**	**19,251**	**COP 15,901**	**COP 815,570**	**COP 6,564,399**	**COP 9,518**	**COP 6,573,917**
Non-controlling interest (minority interest)											
Reserves		0	0	0	0	0	0	0	0	623	623
Valuation		0	0	0	0	0	0	0	0	-278	-278
Loss		0	0	0	0	0	0	0	0	-2557	-2557
Transfers		0	0	0	-217,400	217,400	0	0	0		0
Dividends paid in cash on preferred and common shares	(25)	0	0	0	-3,598	0	0	0	-3,598	0	-3,598
Release of special reserves at the discretion of the Board of Directors		0	0	-533		0	0	0	-533	0	-533
Allocation for Special Reserves	(24)	0	0	191,623	-191,090	0	0	0	533	0	533
Current year net income	(26)	0	0	0	-135,864	0	0	0	-135,864	567	-135,297
Adjustment by sales force of retained earnings		0	0	0	3,110	0	0	0	3,110	0	3,110
Realization of assets subject to first-time adoption Impact of deferred tax on PP&E		0	0	0	0	15,135	-15,135	0	0	0	0
Other comprehensive income											
Movements of other comprehensive income		0	0	0	0	0	0	124,625	124,625	0	124,625
Deferred taxes, net		0	0	0	0	0	0	-55,519	-55,519	0	-55,519
BALANCES AT March 31, 2024		**COP 89,779**	**COP 651,950**	**COP 4,750,950**	**COP -135,864**	**COP 254,896**	**COP 766**	**COP 884,676**	**COP 6,497,153**	**COP 7,873**	**COP 6,505,026**

Refer to the attached notes, which form an integral part of these Condensed Interim Consolidated Financial Statements.
(1) The undersigned Registered Agent and Accountant certify that we have previously verified the assertions contained in these Condensed Interim Consolidated Financial Statements, and that they are faithfully derived from the bank's accounting records.

Esther Dafauce Velázquez
Registered Agent **(1)**

Wilson Eduardo Díaz Sánchez
General Accountant **(1)**
Prof. License 62071-T

Gloria Margarita Mahecha García
Statutory Auditor
Prof. License 45048-T
Appointed by Ernst & Young Audit S.A.S. TR-530
(Refer to my report of May 15, 2024)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(Amounts in millions of Colombian pesos)

	NOTE		March 31, 2024		March 31, 2023
Balance at the beginning of period		COP	11,185,473	COP	10,312,696
Cash flows from operating activities:					
Disbursements and payments received from loan portfolio and leasing customers			-174,641		-793,919
Payments and reception of on-demand deposits			-880,334		-2,573,275
Payments and reception of term deposits			693,270		3,710,816
Payments and reception of other deposits and on-demand liabilities			-193,077		-1,633,097
Payments and redemptions received on financial debt and derivative instruments			-1,795,157		-196,972
Payments to suppliers and employees			-981,607		-970,164
Interest received from loan portfolio and leasing customers and others			2,239,341		1,986,034
Interest paid on deposits and on-demand liabilities			-1,634,689		-1,458,665
Income tax paid			-371,041		-236,046
Cash advances and loans granted to third parties			-160,137		-188,754
Collections on the reimbursement of advances and loans granted to third parties			159,277		246,940
Net cash flow used in operating activities		COP	-3,098,795	COP	-2,107,102
Cash flows from investment activities:					
Payments for investments at amortized cost			-63,350,903		-137,059,508
Collections on investments at amortized cost			63,184,857		137,096,425
Dividends received	(12)		15,041		0
Acquisition of property and equipment			-2,997		-21,854
Purchases of intangible assets	(15)		-21,752		-973
Transfer to non-current assets held for sale	(13)		10,004		0
Cash inflows from investment activities			174,338		232,770
Net cash flow provided by investing activities		COP	8,588	COP	246,860
Cash flow in financing activities:					
Payment of loans and other financial liabilities			-3,595,734		-1,119,803
Collection of loans and other financial liabilities			3,385,274		648,554
Dividends paid to owners			-372		-436
Cash inflows from financing activities			2,804		271,213
Net cash flow used in financing activities		COP	-208,028	COP	-200,472
CASH AND CASH EQUIVALENTS:					
Effect of exchange rate fluctuations on cash held in foreign currency			130,122		-310,476
Balance at the end of the period	(8)	COP	8,017,360	COP	7,941,506

Refer to the attached notes, which form an integral part of these Condensed Interim Consolidated Financial Statements.

(1) The undersigned Registered Agent and Accountant certify that we have previously verified the assertions contained in these Condensed Interim Consolidated Financial Statements, and that they are faithfully derived from the bank's accounting records.

-- --	--	---
Esther Dafauce Velázquez	**Wilson Eduardo Díaz Sánchez**	**Gloria Margarita Mahecha García**
Registered Agent **(1)**	General Accountant **(1)**	Statutory Auditor
	Prof. License 62071-T	Prof. License 45048-T
		Appointed by Ernst & Young Audit S.A.S. TR-530
		(Refer to my report of May 15, 2024)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF BANCO BILBAO VIZCAYA ARGENTARIA COLOMBIA S.A.

At March 31, 2024

(Expressed in millions of COP, except for the exchange rate and net earnings per share)

1. Reporting Entity

Banco Bilbao Vizcaya Argentaria Colombia S.A., BBVA Colombia (hereinafter referred to as “the Bank” or “BBVA Colombia S.A.”), acting as the parent company of the BBVA Colombia Business Group, registered in the commercial registry, hereinafter referred to as “the Group,” which includes the Bank's subsidiaries, BBVA Asset Management S.A. Sociedad Fiduciaria and BBVA Valores Colombia S.A. Stockbroker.

The Group employs a national workforce that, as of March 31, 2024, and December 31, 2023, numbered 5,512 and 5,670 employees, respectively.

The main activity of the Group is to provide loans to public and private sector companies and to individuals. It also carries out international banking activities, privatizations, financial projects and other banking activities in general, and provides leasing services.

The Group carries out its activities at its registered office in Bogotá at the address Carrera 9 No. 72 -21 and through its 508 offices, including branches, In house, service centers, agencies, cash desks extensions, and mini banks located in 132 cities in Colombia as of March 31, 2024; by December 2023, there were also 508 offices.

Additionally, it has 39 financial services contracts through Non-Banking Correspondents (NBC), which provide 80,887 and 63,949 points of service at March 31, 2024, and December 31, 2023, respectively.

As of March 31, 2024, and December 31, 2023, the Group holds the following subsidiaries, with no changes in its ownership between March 2024 and December 2023:

Subsidiaries	Share %	Location
BBVA Asset Management S.A. Sociedad Fiduciaria	94.51	Bogotá
BBVA Valores Colombia S.A. Comisionista de Bolsa	94.44	Bogotá

BBVA Asset Management S.A. Sociedad Fiduciaria, hereinafter, “the Trust Company”, is a private commercial entity of financial services, legally incorporated by Public Instrument 679 issued by the 13th Notary of Bogotá / April 5, 1976.

Through Public Instrument 3742 dated April 29, 2010 issued by the 72nd Notary of Bogotá, the name change to BBVA Asset Management S.A. Sociedad Fiduciaria was made official, and for all legal purposes it may use the name BBVA Asset Management.

The Trust Company is a subsidiary of Banco Bilbao Vizcaya Argentaria Colombia S.A. It has its registered office in the city of Bogotá, with a duration up to May 27, 2098, and a permanent operating license from the Financial

Superintendence of Colombia (hereinafter “the Superintendence”), according to Resolution 223/January 12, 1979. As of March 31, 2024, and December 31, 2023, it had 143 and 139 employees, respectively.

The main objective of the Trust Company consists of entering into commercial trust agreements, entering into state trust agreements as provided by Law 80 / 1993 and, in general, doing any business that implies a trust management and all the business that trust companies are legally authorized to do. In fulfilling its purpose, the Trust Company may essentially acquire, dispose of, tax, manage real estate and personal property, legally represent bondholders, intervene as a debtor or creditor in all types of credit transactions, and issue, accept, endorse, collect and negotiate, in general, all types of securities.

BBVA Valores Colombia S.A. Comisionista de Bolsa, “the Brokerage Firm”, was incorporated on April 11, 1990 following authorization by the Financial Superintendence of Colombia. Its corporate purpose is the development of the commission contract for the purchase and sale of securities listed in the National Securities Registry, the development of security funds management contracts for its domestic and foreign customers, and the performance of transactions on its own behalf. It is also authorized by the Superintendence to carry out the activities related to the securities market and give advice on capital-market related activities.

The Brokerage Firm is a subsidiary of Banco Bilbao Vizcaya Argentaria Colombia S.A.; its registered office is the city of Bogotá D.C., where its conducts its commercial activity. As of March 31, 2024, and December 31, 2023, it had 53 and 54 employees, respectively, with its duration set to expire on April 11, 2091.

2. Basis for Preparation and Presentation of Condensed Consolidated Financial Statements

Applicable Accounting Standards

The Group prepares its Condensed Interim Consolidated Financial Statements in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia (NCIF), as issued by Decree 2420 of 2015 and its amendments. These accounting and financial reporting standards are equivalent to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned Decrees.

Section 4 of article 2.1.2 of Decree 2420/2015, supplemented by Decree 2496/2015 and its amendments, requires the application of article 35 of Law 222/1995, which indicates that equity interests in subsidiaries must be recognized in the separate financial statements using the equity method, rather than recognition, in accordance with the provisions of IAS 27, at cost, at fair value or by the equity method.

Article 2.2.1 of Decree 2420/2015, supplemented by Decree 2496 of the same year and its amendments, establishes that the measurement of post-employment benefits related to future old age and disability retirement pensions will be made in accordance with the requirements of IAS 19; however, the calculation of the pension liabilities must be disclosed and in accordance with the parameters set out in Decree 1625/2016, article 1.2.1.18.46 and subsequent articles, and in the case of partial pension transfers, in accordance with the provisions of section 5 of article 2.2.8.8.31 of Decree 1833/2016, reporting the variables used and any differences with the calculations performed under the NCIF technical framework.

The accounting standards applicable to the Condensed Interim Consolidated Financial Statements differ from those applied in the Condensed Interim Separate Financial Statements; furthermore, they do not include all the information and disclosures required for an Annual Financial Statement, therefore it is necessary to read them together with the Annual Consolidated Financial Statements as of December 31, 2023.

Significant changes and policies are described in the main policies and practices item. The Condensed Interim Consolidated Financial Statements include:

- Condensed Interim Consolidated Financial Position.
- Condensed Interim Consolidated Income Statement.
- Condensed Interim Consolidated Statement of Other Comprehensive Income.
- Condensed Interim Consolidated Statement of Changes in Equity.
- Condensed Interim Consolidated Statement of Cash Flows.
- Selected explanatory notes.

The Condensed Interim Consolidated Financial Statements for the three-month period ended March 31, 2024, are approved for issuance on May 15, 2024 by the registered agent and the accountant of the Bank.

Consolidation Criteria

For consolidation purposes, and following the criteria established by the NCIF, the scope of consolidation is defined using the guidelines established by IFRS 10 - Consolidated Financial Statements, which basically concern control (control/returns) as a guide to determine which companies are susceptible to consolidation and the information to be disclosed regarding interests in other entities. The consolidation method to be applied depends on total control and/or significant influence over the controlled entity. The Group applies the global integration method, recognizing shares in non-controlled entities as equity and income.

The Group is made up, in addition to the Bank, of two subsidiary entities controlled by the Group. Such control is obtained when the Bank is exposed, or entitled to, variable returns based on its involvement in the controlled entity and it has the ability to influence these returns through its power over the controlled entity, providing it with the present ability to direct its relevant activities that significantly affect its income.

In all cases, the consolidation of income generated by the companies that make up the Group in any given fiscal year is carried out considering only the income corresponding to the period between the date of acquisition and the close of that fiscal year. Similarly, the consolidation of income generated by companies disposed of in any given fiscal year is carried out considering only the income for the period between the beginning of the fiscal year and the date of disposal.

In the consolidation process, the Group combines the assets, liabilities and income of the entities over which it has control, after standardizing their accounting policies. During this process, it eliminates reciprocal transactions and realized earnings between them. The share of non-controlling interests in the controlled entities is presented in equity, separate from shareholders equity of the Group’s controlling company.

For the preparation of the Condensed Consolidated Financial Statements, the financial statements of the subsidiaries are included as of their presentation dates.

Minority interest:

	2024	2023
BBVA Asset Management S.A. Sociedad Fiduciaria	-5,035	-6,472

BBVA Valores Colombia S.A. Comisionista de Bolsa	-2,838	-3,046
Total	**-7,873**	**-9,518**

Measurement Basis

The Condensed Consolidated Financial Statements have been prepared on a historical cost basis, except for the following items which are measured on a different basis at each reporting period:

- Financial investment assets measured at fair value with changes in results or derivatives financial instruments measured at fair value.
- Non-current assets held for sale measured at fair value less cost of sale.
- Employee benefits, in relation to pension obligations and other long-term obligations through actuarial discounting techniques.
- Deferred tax measured at current rates according to their recovery.
- Financial Instruments measured at fair value through other comprehensive income and through profit or loss.

Functional and Presentation Currency

BBVA Group prepares and presents its Condensed Consolidated Financial Statements in Colombian pesos, which is its functional currency and is the presentation or reporting currency for all purposes. The functional currency is the currency of the main economic environment in which an entity operates, which influences the transactions it carries out and the services it provides, among other factors.

The figures of the Consolidated Financial Statements and the disclosures detailed in the notes are expressed in COP millions and have been rounded to the nearest full figure, unless otherwise specified.

Materiality

The Bank, in preparing and presenting its financial statements, has considered the materiality of the amounts in relation to key indicators when determining their relevance, based on the specific item being reported.

There is no mandatory accounting principle or measurement criterion that would have a significant effect on the annual accounts that has not been applied in preparing them.

Key Accounting Policies

The significant accounting policies used by the Bank in the preparation and presentation of its Condensed Interim Consolidated Financial Statements do not differ from those approved and disclosed in the 2023 year-end financial statements.

Changes in the presentation of the financial statements

In compliance with the provisions of paragraph 41 of IAS 1 regarding changes in the presentation of the financial statements.

The changes in the presentation of the 2024 financial statements compared to 2023 have been made following a careful review of compliance with the international standard and benchmarking with the main local and international banks, with the aim of maintaining uniformity with the sector to facilitate adequate reading by our customers and investors.

Condensed Interim Consolidated Income Statement: The presentation is condensed, with each item to be detailed in the accompanying notes.

Here are the changes made to the Condensed Interim Consolidated Income Statement for the period ended March 31, 2023, in order to make the figures comparable with the period ended March 31, 2024:

Item		Balance at March 31, 2023, without changes		Segregation and reclassifications		Balance at March 31, 2023, including changes
Net credit risk impairment expenses (1)	COP	-383,275	COP	55	COP	-383,330
Impairment of non-current assets held for sale (2)		0		994		-994
Recovery of financial investment assets (2)		0		-152		152
Recovery of property and equipment (2)		0		-1,733		1,733
Reversion of other impairments (2)		0		-29,030		29,030
Expenses for employee benefits (3)		-234,690		-234,690		0
Depreciation and amortization (3)		-33,012		-33,012		0
Net exchange difference (3)		-87,656		-87,656		0
Investment valuation income, net (4)		292,233		-119,302		411,535
Income by the equity method (5)		0		-7,473		7,473
Other operating expenses, net (5)		-5,615		-5,615		0
Administrative expenses (5)		-145,067		-145,067		0
Other operating income (5)		0		-72,499		72,499
Other operating expenses (4)		0		735,180		-735,180

(1) The Credit Risk Department, through constant validations of the movements in impairment and recovery of the loan portfolio, has determined a need to reclassify an account titled 'reimbursement provision for accounts receivable,' as it does not fall within the loan portfolio's scope, and this account is reclassified to the recovery of other impairments line.
(2) The management of the Bank deems it necessary to disaggregate the impairment and recovery of impairment of the major groups constituting the financial position statement, which can be observed in the respective notes.
(3) For the concepts mentioned in this item, the Bank's management decided to present them collectively under "operational expenses and income." Regarding the exchange difference, it depends on the nature reported at the end of each report.

(4) In the line item for Financial Instruments Valuation, net, it is presented independently within the grouping of interest income and valuations, which was previously included under other operating income.
(5) For the concepts mentioned in this item, it was decided to present them collectively under other operating expenses and income.

Condensed Interim Consolidated Statement of Changes in Equity: The presentation is condensed, with each item to be detailed in the accompanying notes.

The following changes have been made to the Condensed Interim Consolidated Statement of Changes in Equity for the period ended March 31, 2023, to make the figures comparable with the period ended March 31, 2024:

		Subscribed and paid-in capital					
		Shares with non-voting rights and preferred dividend		Ordinary shares		Subscribed and Paid-in Capital	
Item	Note	Balance at March 31, 2023, without changes		Balance at March 31, 2023, without changes		Balance at March 31, 2023, including changes	
Balances as of January 1, 2023 (1)		COP	2,994	COP	86,785	COP	89,779
Balances at March 31, 2023		**COP**	**2,994**	**COP**	**86,785**	**COP**	**89,779**

		Reserves		Reserve Article 6 Law 4/80		Reserves	
Item	Note	Balance at March 31, 2023, without changes		Balance at March 31, 2023, without changes		Balance at March 31, 2023, including changes	
Balances as of January 1, 2023		COP	4,092,577	COP	506	COP	4,093,083
Appropriation for legal reserve (2)			466,777		0		466,777
Balances at March 31, 2023		**COP**	**4,559,354**	**COP**	**506**	**COP**	**4,559,860**

		Period result		Retained earnings		Net income for the period	
Item	Note	Balance at March 31, 2023, without changes		Balance at March 31, 2023, without changes		Balance at March 31, 2023, including changes	
Balances as of January 1, 2023		COP	1,026,275	COP	75,470	COP	1,101,745
Transfers (3)			-1,026,275		1,026,275		0
Dividends paid in cash on preferred and common shares (3)			0		-466,736		-466,736
Appropriation for legal reserve (3)			0		-466,777		-466,777
Current year net income (3)			97,093		0		97,093
Balances at March 31, 2023		**COP**	**97,093**	**COP**	**168,232**	**COP**	**265,325**

(1) Management reviewed and considered that it was not necessary to continue separating the non-voting preferential dividend shares from the common shares, and they are being included in the concept called subscribed and paid-up capital.
(2) Management considers that the two lines of reserves do not need to be individualized by concept, as there is note 24 reserves, where it is disclosed as indicated by IAS 1 paragraph 79 (a).
(3) For the concepts grouped under this numeral (3), it was decided to present them in a way that retained earnings, which were previously reported as a separate line item, now include the result of the current period, the result of previous years, and the first-time adoption adjustments to IFRS; all to ensure that the financial information reported is comparable with other financial entities at the national and international levels.

3. Judgments and Estimates

The information contained in these interim Condensed Interim Consolidated Financial Statements is the responsibility of the Group's Management. In their preparation, certain estimates are used to quantify some of the assets, liabilities, income, expenses and commitments that are recorded therein, based on experience and other relevant factors. The final results may vary from said estimates.

These estimates are continually reviewed. Changes to accounting estimates are recognized prospectively, recording the effects of the changes in the appropriate accounts of the Condensed Interim Consolidated Statement of Income for the fiscal year, as applicable, starting from the fiscal year in which the revisions are made.

The estimates and their most significant sources of uncertainty for preparing the Condensed Interim Consolidated Financial Statements concern the impairment of financial assets: determining the inputs within the expected loss model, including the key assumptions used for estimation and the incorporation of forward-looking information.

Amendments to IAS 8: Definition of Accounting Estimates

The amendment was published by the IASB in February 2021 and provides a clear definition of an accounting estimate: “Accounting estimates are monetary amounts in the financial statements that are subject to estimation uncertainty.” It clarifies the use of accounting estimates, and differentiates them from accounting policies. It is specifically noted that "an accounting policy may require that elements of the financial statements be measured in a way that involves measurement uncertainty—i.e., the accounting policy may require these elements to be measured at monetary amounts that cannot be directly observed and must be estimated." In this case, an entity makes an accounting estimate to achieve the objective established by the accounting policy.”

Amendments to IAS 1: Accounting Policy Disclosures

The amendments clarify the following matters:

- The term “significant” is replaced for “material´ or with relative importance”.
- It clarifies the accounting policies that must be disclosed in the notes to the financial statements: “an entity will disclose information about its significant material accounting policies.”
- It clarifies when an accounting policy is considered material.
- It incorporates the following paragraph: “The information about accounting policies focuses on how an entity has applied the IFRS requirements to its own circumstances, providing specific information about the entity, which is more useful for the users of financial statements than standard information or information that simply duplicates or summarizes the IFRS requirements.”

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The amendment allows the recognition of a deferred tax asset or liability arising from a transaction that is not a business combination upon the initial recognition of an asset or liability that at the time of the transaction does not give rise to taxable and deductible temporary differences of equal amounts.

The accumulated effect of the change in the accounting policy will be recognized at the beginning of the first comparative period presented as an adjustment to the opening balance of retained earnings at that date.

The Bank has conducted a comprehensive assessment of the proposed changes to these standards. Most of these modifications correspond to clarifications of existing definitions within the same standards. After our assessment, we have determined that these modifications do not have significant impacts on our operations.

4. Comparison of Information and Seasonality

Information Comparison

The Condensed Interim Consolidated Financial Statements as of March 31, 2024 are prepared in accordance with the presentation model required by IAS 34, aiming to align the content of public financial information of credit institutions with the mandatory formats of Condensed Interim Consolidated Financial Statements.

The information contained in the attached Condensed Interim Consolidated Financial Statements And Explanatory Notes as of March 31, 2024, and December 31, 2023, is presented solely for comparative purposes with the information related to March 31, 2023. During the first quarter of 2024, no significant changes have been made in the Bank's business areas.

Seasonality

The nature of the most significant operations carried out by BBVA Colombia corresponds, fundamentally, to the typical activities of financial entities; which is why they are not significantly affected by seasonality factors, therefore specific breakdowns are not included in these notes as of March 31, 2024.

5. Business Segments

Condensed Interim Consolidated Financial Position by Segments

Description of the Segments

For BBVA it is essential to make available to customers opportunities of value that fit their needs; it consequently directs and values the performance of its operations by business segments, and transactions between them are made under regulated commercial terms and conditions. This disclosure outlines how the Bank has managed its business segments as of March 31, 2024, compared to December 2023 and March 31, 2023.

To carry out the commercial activity, BBVA Colombia has established a specialized banking structure to serve different business segments, as follows:

- Commercial Banking: responsible for managing the retail business and the segment of individuals. Commercial banking manages the entire segment of individuals, which is made up of consumer and mortgage loans, means of payment and consumer finance.

- Enterprise and Institutional Banking (EIB): Responsible for managing corporate customers from the public and private sector.

- Corporate and Investment Banking (CIB): the banking segment responsible for corporate customers, in addition to treasury transactions and investment banking. **Corporate and Investment Banking Colombia**: Is the area within the Bank responsible for serving major corporate customers and financial institutions, by offering, in addition to the traditional financial products, services and products with high value added in order for them to fulfill their objectives in the different local and international markets.

- Assets and Liabilities Committee (COAP, for the Spanish original): It is the unit that manages the Bank's liquidity and sets the transfer prices for resources and portfolio going to and from all other banking segments.

In addition, several business sub-segments have been defined within these banking segments in order to direct commercial actions effectively, in accordance with customer profiles, framed within the Group's strategic objectives for the growth of the franchise in Colombia.

On its part, BBVA Colombia as a group actively promotes its participation through its affiliates:

- BBVA Valores: Its corporate purpose is the development of the commission contract for the purchase and sale of securities, the development of security funds management contracts for its domestic and foreign customers, and the performance of transactions on its own behalf.

- BBVA Fiduciaria: BBVA Asset Management is the unit of the BBVA Group that encompasses the investment and pension fund management companies at the global level.

Allocation of operating expenses

In relation to the accounting of BBVA Colombia's direct and indirect expenses, they are recorded in each of the cost centers generating said expenses; however, if there are any items affecting the cost centers of core areas after this distribution, they are distributed to the banking segments using the apportionment line, in accordance with the distribution criteria established by the business areas of the Bank's general management.

Cross-selling

When two business areas are involved in the sale or placement of the bank's products, the actual accounting record of the profit from the transaction is made in just one area in order to avoid duplication. However, the Bank has cross-selling agreements through which the profitability generated by such sales is analyzed and the percentage to be paid to the banking or business area that arranged the transaction is established, decreasing by the same value the profitability of the other banking segment in which the profit was initially recorded, using the Bank's offsetting accounts.

Other Segments:

The banking segments other than those mentioned above are grouped in the “other” segment, including the Core and Complementary Areas.

Income by Segment at March 31, 2024 and December 31, 2023

Below are the details of the accumulated balance sheet for the periods at March 2024 and December 2023, by business segments:

March 31, 2024

COP Mill.	Group Total	Commercial Banking	EIB	BBVA Valores	BBVA Fiduciaria	CIB	COAP	Other	Eliminations
Cash and central banks	COP 4,513,026	COP 2,936,666	COP 11,375	COP 34,455	COP 84,795	COP 14,356	COP 988,104	COP 484,045	COP -40,770
Financial intermediaries	3,713,853	166,868	10,954,083	0	0	457,985	-7,846,892	-18,191	0
Securities portfolio	17,808,350	0	0	20,217	54,317	11,056,867	6,751,483	-74,534	0
Net credit investment	72,253,885	45,133,412	16,795,152	0	0	10,270,453	53,424	1,443	0
Consumer	23,044,208	23,067,419	1,106	0	0	264	0	-24,581	0
Cards	3,726,440	3,726,135	108	0	0	22	0	175	0
Mortgage	13,990,964	13,976,628	3,938	0	0	40	0	10,358	0
Enterprise	30,762,237	3,415,083	16,895,067	0	0	10,399,805	52,281	1	0
Other	730,036	948,147	-105,067	0	0	-129,678	1,143	15,491	0
Net fixed assets	1,110,571	177,962	1,523	0	0	14,308	0	916,778	0
Other assets	2,895,426	1,457,393	14,088	6,031	20,866	569,555	381,519	581,182	-135,208
Total assets	COP 102,295,111	COP 49,872,301	COP 27,776,221	COP 60,703	COP 159,978	COP 22,383,524	COP 327,638	COP 1,890,723	-175,978
Financial intermediaries	2,003,527	20,988,175	5,118,244	-8	0	10,203,601	-35,779,261	1,472,776	0
Customer resources	79,444,259	26,861,985	21,232,860	0	0	4,653,193	26,675,631	20,590	0
On-demand	8,176,271	2,860,149	4,194,418	0	0	1,101,901	0	19,803	0
Savings	30,642,666	13,720,178	13,441,862	0	0	3,480,009	0	617	0
CDs	37,167,096	10,281,658	3,596,580	0	0	71,283	23,217,405	170	0
Bonds	3,458,226	0	0	0	0	0	3,458,226	0	0
Other liabilities	14,342,299	1,381,042	1,140,461	9,631	68,231	7,273,465	2,574,260	1,936,247	-41,038
Total liabilities	COP 95,790,085	COP 49,231,202	COP 27,491,565	COP 9,623	COP 68,231	COP 22,130,259	COP -6,529,370	COP 3,429,613	COP -41,038

Note: For segmentation purposes, grouping is done differently from the presentation in the financial statements, following Corporate models; grouping carried out according to Financial Management and Planning, Specific Balance as of March 31, 2024.

December 31, 2023

COP Mill.	Group Total	Commercial Banking	EIB	BBVA Valores	BBVA Fiduciaria	CIB	COAP	Other	Eliminations
Cash and central banks	COP 4,791,350	COP 2,202,100	COP 16,327	COP 29,745	COP 66,591	COP 19,084	COP 2,516,877	COP 6,458	-65,832
Financial intermediaries	6,662,525	1,604,197	11,081,750	0	0	4,272,365	-10,366,385	70,598	0
Securities portfolio	19,136,342	0	0	27,133	55,882	13,113,894	6,022,448	-83,015	0

Net credit investment	72,196,110	45,955,773	16,041,428	0	0	10,310,297	-91	-111,297	0
Consumer	23,373,459	23,401,969	971	0	0	7	0	-29,488	0
Cards	3,679,770	3,679,486	105	0	0	18	0	161	0
Mortgage	13,928,476	13,915,359	2,617	0	0	0	0	10,500	0
Enterprise	30,516,369	4,021,427	16,158,993	0	0	10,440,157	0	-104,208	0
Other	698,036	937,532	-121,258	0	0	-129,885	-91	11,738	0
Net fixed assets	1,099,566	181,717	1,571	0	0	15,459	0	900,819	0
Other assets	2,024,240	599,902	15,953	8,520	18,996	-112,506	404,148	1,258,922	-169,695
Total assets	COP 105,910,133	COP 50,543,689	COP 27,157,029	COP 65,398	COP 141,469	COP 27,618,593	COP -1,423,003	COP 2,042,485	-235,528
Financial intermediaries	2,606,869	19,686,013	4,680,344	-10	0	11,543,100	-34,624,412	1,321,834	0
Customer resources	79,703,150	27,478,200	20,493,972	0	0	5,649,597	26,073,120	8,261	0
On-demand	8,209,694	3,139,662	3,865,852	0	0	1,196,760	0	7,420	0
Savings	31,601,482	14,264,515	12,952,125	0	0	4,384,297	0	545	0
CDs	36,471,945	10,074,023	3,675,995	0	0	68,540	22,653,091	296	0
Bonds	3,420,029	0	0	0	0	0	3,420,029	0	0
Other liabilities	17,026,197	1,768,616	1,065,395	10,583	23,532	9,795,452	2,543,602	1,891,322	-72,305
Total liabilities	COP 99,336,216	COP 48,932,829	COP 26,239,711	COP 10,573	COP 23,532	COP 26,988,149	COP -6,007,690	COP 3,221,417	-72,305

Note: For segmentation purposes, grouping is done differently from the presentation in the financial statements, following Corporate models; grouping carried out according to Financial Management and Planning, Specific Balance as of December 31, 2023.

Upon analyzing the segmented balance sheet for March 2024, the banking segments with the highest share of the Group's total assets are Commercial at 48.8%, Business and Institutional Banking (BEI) at 27.2%, and Corporate and Investment Banking (CIB) at 21.9%.

In terms of liabilities, the banking segments with the highest share of customer funds are Commercial at 33.8%, COAP at 33.6%, BEI at 26.7%, and CIB at 5.9%.

In terms of line items, BBVA Group’s Cash and Central Banks item recorded an annual variation of -5.8% compared to the end of 2023. The securities portfolio showed a decrease of 6.9%, explained by the decline in CIB (-COP 2,057,027), and on the other hand, offset by COAP (+COP 729,035).

Net Credit Investment grew by 0.1%, primarily due to variations recorded in BEI (+COP 753,724), offset partially by Commercial (-COP 822,361) and CIB (-COP 39,844). This growth in EIB reflects BBVA's commitment to the business sector, establishing itself as a partner that promotes the advancement of new initiatives through its financial support. In Commercial Banking, the variation in Credit Investment is mainly explained by the decrease in Consumer Credit (-1.4%) and is partially offset by the growth in Credit Cards (+1.3%) and Mortgage Loans (+0.4%). In EIB, the growth in credit is also mainly due to the 4.6% increase in Corporate Loans.

Total Assets showed a decrease of 3.4%, explained by the variation in CIB (-COP 5,235,069), Commercial

(-COP 671,388), and partially offset by growth in Business and Institutional Banking (+COP 619,192), aligned with BBVA's commitment to the business sector, becoming a partner that facilitates the development of new projects through financing, contributing to the creation of more job opportunities for Colombians, and fostering economic growth.

In turn, liability financial intermediaries showed a decrease of -23.1%. In relation to the capture of customer resources through demand and savings products, there were variations for BEI (+COP 818,303), Commercial (-COP 823,850), and CIB (-COP 999,147).

In turn, the COAP, which is the area responsible for raising corporate customer funds through certificates of deposit, accounts for 62.5% of the Bank's total CDs. These CDs showed a variation of +COP 564,314 as of December 31, 2023, this increase was due to the competitiveness of the rates offered by BBVA compared to the market offering. The Bonds, on the other hand, show a positive variation, increasing by +38,197 compared to the previous year's closing.

The COAP showed negative assets and liabilities driven by the Financial Intermediaries lines of assets and liabilities. Each banking segment has its primary function, acting as either attractors (bringing funds to the Group) or placement agents (generating credit investment). Therefore, the COAP is the area responsible for collecting the excess funds from an attractor banking segment and "transferring" them to a placement banking segment. However, in order not to affect the financial statements of the attractor banking segment, the COAP "transfers" the investment generated to the attractor banking segment. This is done to reconcile the balance sheets of the banking segments and to show how the Bank functions as a whole, without punishing and recognizing the function of each banking segment. The asset financial intermediaries decreased by -COP 2,948,672 year-on-year, while the liability financial intermediaries decreased by -COP 603,342 year-on-year, behaving in line with the Bank's activity.

The "other" areas segment includes the central, means and financial complementary areas. They are all areas that provide support for the other banking segments. The Means area includes the Formalization Center, which mainly manages credit investments that are not segmented. The Core areas includes the central account, which reconciles the Bank's balance sheet and is where the investment assets for holdings in subsidiaries are included. The assets of the "Other" segment are mostly made up of net fixed assets. The total assets for this segment showed a variation of -COP 151,762. The rest of the areas also include all the components of the core areas and EFAN adjustments. Adjustments through the EFAN include the standardization of local vs. international regulations and reciprocal activities between different countries/banking segments.

It is important to mention the results of BBVA Valores Colombia S.A. Comisionistas de Bolsa and BBVA Asset Management S.A. Sociedad Fiduciaria. The total assets of BBVA Valores Colombia S.A. Comisionistas de Bolsa showed a variation of -COP 4,695, closing with a total of COP 60,703 in March 2024.

On the other hand, the total assets of BBVA Asset Management S.A. Sociedad Fiduciaria showed a variation of +COP 18,509, closing with a total of COP 159,978 in March 2024.

Below are the details of the accumulated income statement for the periods at March 2024 and 2023 by business segments:

March 31, 2024

Cum. COP Mill.	Group Total	Commercial Banking	EIB	BBVA Valores	BBVA Fiduciaria	CIB	COAP	Other	Eliminations
Interest margin	COP 913,516	COP 878,487	COP 194,832	COP 1,243	COP 2,415	COP 81,542	COP -169,174	COP -87,632	COP 11,803
Net fees	131,777	19,092	92,694	584	29,932	46,228	-2,149	-52,594	-2,010
Other financial transactions	77,775	18,129	13,606	1,742	1,491	110,626	-50,883	-16,936	0
Other net ordinary income	-77,896	-12,865	-3,936	3,651	-6,071	-1,955	-54,237	-2,483	0
Gross margin	COP 1,045,172	COP 902,843	COP 297,196	COP 7,220	COP 27,767	COP 236,441	COP -276,443	COP -159,645	COP 9,793
General administrative expenses	-520,941	-290,301	-36,714	-4,753	-10,056	-27,066	-652	-151,916	517
Personnel expenses	-247,273	-87,297	-19,218	-4,074	-4,997	-11,737	-41	-119,909	0
Overhead	-222,078	-172,246	-6,386	-565	-4,521	-6,507	-384	-31,986	517
Taxes (Contributions and Taxes)	-51,590	-30,758	-11,110	-114	-538	-8,822	-227	-21	0
Amortization and depreciation	-36,081	-12,368	-152	-58	-573	-1,294	0	-21,636	0
Apportionment of expenses	0	-235,358	-68,399	0	0	-21,442	-24,167	349,366	0
Net margin	COP 488,150	COP 364,816	COP 191,931	COP 2,409	COP 17,138	COP 186,639	COP -301,262	COP 16,169	COP 10,310
Asset impairment loss	-680,722	-649,332	-19,859	0	0	208	1	-11,740	0
Credit to provisions	-9,679	-3,678	-503	20	-176	-130	-74	-5,138	0
Other non-ordinary income	-141	0	0	0	0	0	0	-141	0
PBT	COP -202,392	COP -288,194	COP 171,569	COP 2,429	COP 16,962	COP 186,717	COP -301,335	COP -850	COP 10,310
Corporate tax	66,528	0	0	-987	-8,058	0	0	75,573	0
PAT	COP -135,864	COP -288,194	COP 171,569	COP 1,442	COP 8,904	COP 186,717	COP -301,335	COP 74,723	COP 10,310
Non-controlled interest	567	0	0	0	0	0	0	567	0
PAT	COP -135,297	COP -288,194	COP 171,569	COP 1,442	COP 8,904	COP 186,717	COP -301,335	COP 75,290	COP 10,310

Note: For segmentation purposes, grouping is done differently from the presentation in the financial statements, following Corporate models; grouping carried out according to Financial Management and Planning, Specific Balance as of March 31, 2024.

March 31, 2023

Cum. COP Mill.	Group Total	Commercial Banking	EIB	BBVA Valores	BBVA Fiduciaria	CIB	COAP	Other	Eliminations
Interest margin	COP 795,108	COP 991,086	COP 252,710	COP 1,905	COP 1,354	COP 133,692	COP -579,933	COP -17,075	COP 11,369
Net fees	139,895	30,834	83,701	516	21,406	42,558	-2,167	-35,475	-1,478
Other financial transactions	147,520	19,040	12,983	1,052	3,785	143,262	-30,926	-1,676	0
Other net ordinary income	-36,698	-8,471	-2,828	449	301	-2,298	-17,371	-6,480	0
Gross margin	COP 1,045,825	COP 1,032,489	COP 346,566	COP 3,922	COP 26,846	COP 317,214	COP -630,397	COP -60,706	COP 9,891
General administrative expenses	-468,948	-258,501	-25,934	-2,298	-9,245	-25,912	-830	-146,762	534
Personnel expenses	-220,559	-84,305	-13,787	-1,711	-5,067	-9,897	-17	-105,775	0
Overhead	-211,279	-152,821	-4,642	-529	-3,690	-8,485	-355	-41,291	534
Taxes (Contributions and Taxes)	-37,110	-21,375	-7,505	-58	-488	-7,530	-458	304	0
Amortization and depreciation	-30,738	-11,780	-193	-61	-490	-1,176	0	-17,038	0
Apportionment of expenses	0	-116,694	-33,525	0	0	-12,064	-10,485	172,768	0
Net margin	COP 546,139	COP 645,514	COP 286,914	COP 1,563	COP 17,111	COP 278,062	COP -641,712	COP -51,738	COP 10,425
Asset impairment loss	-370,486	-375,482	7,830	0	0	4,590	2	-7,426	0
Credit to provisions	-9,400	-3,190	-434	0	-475	-394	-2	-4,905	0
Other non-ordinary income	-176	0	0	0	0	-117	0	-59	0
PBT	COP 166,077	COP 266,842	COP 294,310	COP 1,563	COP 16,636	COP 282,141	COP -641,712	COP -64,128	COP 10,425
Corporate tax	-68,984	-95,514	-105,346	-700	-7,074	-42,610	233,580	-51,320	0
PAT	COP 97,093	COP 171,328	COP 188,964	COP 863	COP 9,562	COP 239,531	COP -408,132	COP -115,448	COP 10,425
Non-controlled interest	573	0	0	0	0	0	0	573	0
PAT	COP 97,666	COP 171,328	COP 188,964	COP 863	COP 9,562	COP 239,531	COP -408,132	COP -114,875	COP 10,425

Note: For segmentation purposes, grouping is done differently from the presentation in the financial statements, following Corporate models; grouping carried out according to Financial Management and Planning, Specific Balance as of March 31, 2023.

When analyzing the income statements for March 2024, the banking entity that generated the highest profit for the Bank was CIB, followed by EIB, BBVA Asset Management S.A. Sociedad Fiduciaria, and BBVA Valores Colombia S.A Comisionistas de Bolsa. On the other hand, Commercial Banking shows a negative performance, adapting to the effect of the healthy decrease in credit along with a 19 bps growth in the portfolio delinquency rate at the end of March 2024. Likewise, other areas exhibit a negative performance as their primary role is to ensure the proper internal functioning of the Bank.

COAP is the unit that manages the Group's liquidity and sets the transfer prices for the resources and portfolios flowing to and from all other banking segments. Interest margin grew by COP 410,759. The gross margin was positioned at -COP 276,443.

The rest of the areas include all the expenses of the core areas and the adjustments to the Financial Statements of the Business Areas (EFAN, for the Spanish original). The central and means areas perform activities related to investment assets and central account, and the activities of the formalization center (credit investment). Finally, the central area is the segment with highest expenses (including the salaries of all the individuals from areas that are not in the business areas and administrative overhead).

BBVA Asset Management S.A. Sociedad Fiduciaria shows a decrease in PAT of -6.9%, thus closing with a PAT of COP 8,904 as of March 2024. The PAT of BBVA Valores Colombia S. A Comisionistas de Bolsa was COP 1,442, up by +COP 579 compared to the same period in 2023.

The Bank's interest margin increased by 14.9% compared to March of the previous year, a figure explained by an increase in interest income. The CoAP variation, with a growth of +COP 410,759, stands out, resulting from excellent liquidity management by the bank, which enables better management of the resources of the business segments. Meanwhile, the gross margin of the Bank decreased by 0.1% compared to the first period of 2023, with COAP showing the best performance with a variation of +COP 353,954.

The Group's general administrative expenses increased by 11.1%, explained by the variation in Commercial (-COP 31,800) and BEI (-COP 10,780).

Lastly, the Bank's after-tax profit decreased by 239.9% compared to March 31, 2023, as the sustained increase in inflation impacted the increase in Asset Impairment Losses by 224.6%. The best performing banking segments were CIB and BEI.

6. Risk Management

The Risk Management principles and policies, as well as the tools and procedures, adhere to the recognition criteria according to IFRS 7, "Financial Instruments. Information to be disclosed"; The Group, as part of its normal activities, is subject to the following disclosures: market risk, liquidity risk, credit risk, and structural risk; for comparison purposes with the information as of March 31, 2024, compared to that presented in the condensed consolidated financial statements as of December 31, 2023, there are no changes to report in this report.

7. Fair Value

According to IFRS 13, fair value is the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between participants of the main market on the measurement date, or in the absence thereof, the most advantageous market to which the Group has access at the time.

Financial instruments are initially recognized at fair value, which is equivalent to the transaction price, unless there is evidence otherwise on an active market; after that, and depending on the nature of the financial instrument, it can continue to be recorded at fair value through adjustments in the income statements or in equity or at amortized cost.

Whenever applicable, the Group measures the fair value of an instrument by using a listed price on an active market for said instrument. A market is considered to be active if listed prices can be obtained easily and regularly either from a stock market, operator, broker, industry group and/or pricing service, and these prices represent actual market transactions occurring regularly between independent parties in arm's length conditions.

The Group uses widely recognized valuation models to determine the fair value of common, simpler financial instruments, such as currency swap and interest rates that only use observable market data and require few judgments and calculations by management.

Accordingly, the Group uses market prices and methodologies as a basis to establish the fair values of its financial instruments, which are provided by the valuation price vendor "Precia – Precia Proveedor de Precios Para Valoración" selected by the Group and authorized by the Financial Superintendence of Colombia to do so.

When there is no listed price on an active market, the Group uses valuation techniques that maximize the use of observable input and minimize the use of non-observable input. The objective of the valuation techniques is to reach a determination regarding fair value that will reflect the price of the financial instrument on the reporting date, that would have been determined by market participants separately.

In the case of financial instruments that are traded infrequently, several degrees of judgment are required, depending on liquidity, concentration, uncertainty of market factors, valuation assumptions and other risks that affect the specific instruments, which requires additional work during the valuation process.

Valuation techniques

Approach of the internal valuation techniques - BBVA Group shall use the valuation techniques that are appropriate for the circumstances and on which there is information available to determine the fair value of financial instruments, always maximizing the use of observable inputs and minimizing the use of non-observable inputs.

Accordingly, the Group shall use, as the case may be, the following approaches according to IFRS 13 to measure the fair value of financial instruments.

Market Approach - Listed prices, and in the absence thereof, other relevant information generated by market transactions involving identical or comparable financial instruments, will be used to determine the fair value of financial instruments, when applicable.

Income Approach: - Present value techniques and options valuation models (Black & Scholes Model) will be used to measure the fair value of financial instruments, as the case may be. The observable input will be maximized always using discount curves, volatilities and other market variables that are observable and reflect the assumptions that the market participants would use for pricing the financial instrument.

Valuation of financial instruments - BBVA Group Colombia measures fair values using the following hierarchy, according to the importance of the input variables used for measurement:

- Level 1: The market price listed (unadjusted) on an active market for an identical instrument.
- Level 2: Valuation techniques based on observable factors, whether directly (such as prices) or indirectly (such as price derivatives). This category includes instruments valued using: market prices listed on active markets for similar instruments; listed prices for similar instruments on markets that are not considered

very active; or other valuation techniques where all significant input is directly or indirectly observable based on market data.

- Level 3: Fixed income: Input for assets or liabilities that is not based on observable market data. This category includes all the instruments where the valuation technique includes factors that are not based on observable data and the non-observable factors can have a significant effect on the valuation of the instrument. This category includes instruments that are valued based on prices listed for similar instruments where significant non-observable assumptions or adjustments are required to reflect the differences between instruments. If a fair value measurement uses observable market data that require significant adjustments based on non-observable data, the measurement is classified as level 3.
- Equities that belong to other references and that are assets with low liquidity because they are low marketability shares and are not valued by an official price vendor are conditioned by the internal valuation assumptions and thus are classified at levels 2 and 3.

Determining what falls under the term "observable" requires significant use of judgment by the Group. Therefore, observable data are understood as the market data that can be easily obtained, are distributed or updated on a regular basis, are reliable and verifiable, are not private (exclusive) and are provided by independent sources that play an active role on the relevant market.

The assumptions and factors used in valuation techniques include risk-free interest rates, reference interest rates, credit spreads and other premiums used to determine discount rates, foreign exchange rates and expected price volatilities.

The availability of observable market prices and factors reduce the need for judgments and calculations by management, along with the uncertainty associated with determining fair values. The availability of observable market prices and input varies depending on the products and markets and is prone to changes based on specific events and general conditions on financial markets.

Below we summarize the methods and valuation forms for investments in equity instruments:

		Approach	
Investments in Equity Instruments	**Levels**	**March 31, 2024**	**December 31, 2023**
Credibanco S.A.	3	Income	Income
Redeban Multicolor S.A.	3	Income	Income
ACH Colombia S.A.	3	Income	Income

For the case of the participation in the new Holding Bursátil Chilena S.A, the share price published by the Bolsa de Comercio de Santiago BCS S.A. converted to Colombian Pesos is considered.

Following is a detailed analysis of the sensitivity of changes in the Group's equity instrument investments:

Entity	Variables	Variation	Present Value Adjusted by Discount Rate March 31, 2024 Favorable Impact	March 31, 2024 Unfavorable Impact	December 31, 2023 Favorable Impact	December 31, 2023 Unfavorable Impact
Credibanco S.A.	Income	+/ - 100BP	123.17	115.21	122.76	115.08
	Perpetuity Gradient	+/ - 100BP	126.88	112.76	126.93	112.27
	Discount rate	+/ - 50BP	125.19	113.70	125.37	113.05
Redeban Multicolor S.A.	Income	+/ - 1%	26,037.89	24,607.43	26,037.89	24,607.43
	Growth in Perpetuity	+/ - 50BP	26,011.78	25,074.79	26,011.78	25,074.79
	Operating Expenses	+/ - 1%	25,565.11	25,493.71	25,565.11	25,493.71
ACH Colombia S.A.	Income	+/ - 100BP	178,235.23	169,496.94	171,220.58	163,589.14
	Perpetuity Gradient	+/ - 100BP	184,643.83	164,943.91	177,499.04	159,030.43
	Discount rate	+/ - 50BP	174,975.15	172,771.38	168,219.38	166,600.77

The fair value of these products is also based on product compliance assumptions, as in the case of products that have implicit prepayment assumptions, while on-demand and term deposits have assumptions regarding their maturity. Additionally, when discounted by a market curve, they include effects such as credit spread that applies to the portfolio and deposits.

Valuation sensitivity at hierarchy level 3 - Investments at fair value through OCI Equity instruments

Investments classified at Level 3 have significant non-observable input. Level 3 instruments mainly include investments in equity instruments, which are not traded on the stock market. Since observable prices are not available for these securities, the Group has used valuation techniques, such as discounted cash flow, to obtain the fair value thereof. The Group has equity investments in different entities with shareholdings of less than 20% of the entity's share capital, which were acquired because they are necessary for developing the operations, such as Fondo para el Financiamiento del Sector Pecuario (FINAGRO).

Discounted flow of dividends methodology

The discounted flow of dividends methodology shall be applied on the following financial assets classified at hierarchy level 3:

Investee	BBVA valuation			Long-term rate		
	Lower limit	Average	Upper limit	Lower limit	Average	Upper limit
Fondo para el Financiamiento del Sector Agropecuario "FINAGRO"	33,723,124	33,159,597	32,610,229	22.66%	22.91%	23.16%
Average	33,723,124	33,159,597	32,610,229	**22.66%**	**22.91%**	**23.16%**

	Lower limit	Lower limit	Average	Upper limit
Ke Finagro	33,159,597	22.66%	22.91%	23.16%
		22.66%	**22.91%**	**23.16%**

Sensitivity analysis: The Ke rate was sensitized using the criteria CPI +25 basis points/-25 basis points.

Sensitivity analysis: The variable to be sensitized during the period was the Ke discount rate; the particular component to be sensitized was inflation. This process took into account the estimates of the Bank's economic research area and the expectations of changes in the Central Bank's intervention rate.

It is important to mention that the Group's investments include investments in financial service institutions and in Fondo para el Financiamiento del Sector Agropecuario "Finagro". This means that the variables that make up the discount rate are different for the two types of investments.

Additionally, it is important to briefly mention the methodology to measure the entities. On one hand, there are the financial service institutions, which basically reflect the upward trend of the latest of each of the entities, always adjusted using the inflation variable estimated by the economic research area. On the other hand, the valuation of Fondo para el Financiamiento del Sector Agropecuario "Finagro" is not only in line with the evolution of the figures, but also represents growth in the investment portfolio, and the statement of income is simulated using the DTF provided by economic research, because it is the variable at which Fondo para el Financiamiento del Sector Agropecuario "Finagro" issues its securities.

Determining what falls under the term "observable" requires significant criteria on behalf of the entity. Therefore, observable data are understood as the market data that can be easily obtained, are distributed or updated on a regular basis, are reliable and verifiable, are not private (exclusive) and are provided by independent sources that play an active role on the relevant market.

The assumptions and factors used in valuation techniques include risk-free interest rates, reference interest rates, credit spreads and other premiums used to determine discount rates, foreign exchange rates and expected price volatilities.

The availability of observable market prices and factors reduce the need for judgments and calculations by management, along with the uncertainty associated with determining fair values. The availability of observable market prices and input varies depending on the products and markets and is prone to changes based on specific events and general conditions on financial markets.

Fair value hierarchy of the Group's financial instruments

Debt Securities in Local Currency

Investments in debt securities are valued on a daily basis and their results are also recorded daily.

The BBVA Group measures the market value of investments, based on liquidity and depth of the market in debt securities that are marketable and available for sale by using the "unadjusted" prices published on a daily basis by the price vendor "Precia – Proveedor de Precios Para Valoración", selected by the Group.

The market price bases are provided by the price vendor authorized by the Financial Superintendence of Colombia. The securities that meet these conditions are classified as Level 1 of the fair value hierarchy.

In the case of instruments that are not 100% observable on the market, but whose price is determined based on other prices that are observable on the market, the entity shall classify these instruments at level 2.

Investments in debt securities at amortized cost in local currency for which there is no price published on a given date are valued exponentially based on the Internal Rate of Return (IRR) calculated at the time of the purchase and recalculated on the coupon payment dates or the indicator's re-pricing of the variable indicator. These securities are assigned a classification depending on when the position is closed out.

Debt Securities in Foreign Currency

In the first place, the market value of the respective security is determined in its own currency, based on unadjusted quoted market prices published by the price vendor selected by the entity and authorized by the Financial Superintendence of Colombia for this purpose, in which case the fair value hierarchy will be level 1.

In the absence of market prices on the part of the official price vendor, the prices determined by international markets, published by Bloomberg will be used; since they are observable on a financial information platform known by all market agents, they would be classified as Level 1 in the fair value hierarchy.

Finally, when there are no observable inputs on the market, the fair value is determined exponentially based on the internal rate of return (IRR) calculated at the time of the purchase and recalculated on the coupon payment dates or the variable indicator's re-price date as applicable. Securities calculated based on the latter model (IRR) shall be classified as Level 3.

Derivative Financial Instruments

Transactions with derivatives are defined as contracts between two or more parties to purchase or sell financial instruments at a future date, or contracts where the underlying asset is a market spot price or index. The BBVA Group carries out transactions with commercial purposes or hedging purposes in forwards, options and swaps.

All derivatives are measured at fair value. Changes in fair value are recognized in the Condensed Interim Consolidated Statement of Income.

For the derivative financial instruments listed below, except for futures, fair value is calculated based on listed market prices of comparable contracts and represents the amount that the entity would have received from or paid to a counterparty to write-off the contract at market rates on the date of the Condensed Interim Consolidated Statement of Financial Position; therefore, the valuation process is described by product:

- FX Forward (Fwd):

Discounted cash flow is the valuation model used. The vendor publishes encrypted curves in accordance with the source currency of the underlying asset. These market inputs are published by Precia, the official price vendor, based on observable market data.

- Interest and Exchange Swaps

The valuation model is based on discounted cash flows. These market inputs are taken from the information published by "Precia", the official price vendor, which publishes the encrypted curves in accordance with the underlying asset, base swap curves.

- European Options - USD/COP

The valuation model is based on the Black Scholes methodology using the variables provided by the official price vendor.

The Group BBVA has determined that derivative assets and liabilities measured at fair value are classified as Level 2 as illustrated below, indicating the fair value hierarchy of the derivatives recorded at fair value.

Fair value of financial assets and liabilities recorded at amortized cost determined only for disclosure purposes

Below are the details of the way in which the financial assets and liabilities, managed in accounting at amortized cost, were measured at fair value solely for the purposes of this disclosure.

Sensitivity of loan portfolio and lease transactions and investments and customer deposits

Due to the unavailability of observable market valuation inputs, these assets and liabilities were classified at level 3. Fair value is estimated using the present value of flows method at discount market rates at the time of valuation.

In the case of the loan portfolio, expected cash flows are projected by taking into account balance reductions due to early payments made by customers that are modeled based on historical information.

Financial Assets and Liabilities not measured at fair value

March 31, 2024

	March 31, 2024				
Assets	**Carrying Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Commercial Loan Portfolio	30,436,861	30,687,775	0	0	30,687,775
Consumer portfolio	27,221,073	29,005,492	0	0	29,005,492
Mortgage portfolio	14,655,512	15,005,489	0	0	15,005,489
Loan portfolio	72,313,446	74,698,756	0	0	74,698,756
Agricultural development securities	2,252,429	2,253,866	0	0	2,253,866
Solidarity Securities	1,182,346	1,187,182	0	0	1,187,182
Mortgage securities - TIPS	4,037	4,042	0	0	4,042
Investments at amortized cost	3,438,812	3,445,090	0	0	3,445,090
Total loan portfolio and investments	75,752,258	78,143,846	0	0	78,143,846

	March 31, 2024				
Liabilities	**Carrying Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Demand deposits	39,465,257	39,465,257	0	0	39,465,257
Checking deposits	7,955,934	7,955,934	0	0	7,955,934
Savings deposits	30,608,005	30,608,005	0	0	30,608,005
Other deposits	901,318	901,318	0	0	901,318
Term deposits	37,180,113	37,242,204	0	0	37,242,204
Certificates of deposit and real value savings certificates	37,180,113	37,242,204	0	0	37,242,204
Total deposits and current liabilities	76,645,370	76,707,461	0	0	76,707,461

December 31, 2023

	December 31, 2023				
Assets	**Carrying Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Commercial Loan Portfolio	30,300,587	29,911,624	0	0	29,911,624
Consumer portfolio	27,402,510	14,584,024	0	0	14,584,024
Mortgage portfolio	14,595,164	28,512,765	0	0	28,512,765
Loan portfolio	72,298,261	73,008,413	0	0	73,008,413
Agricultural development securities	2,103,449	2,105,097	0	0	2,105,097
Solidarity Securities	1,151,101	1,157,111	0	0	1,157,111
Mortgage securities - TIPS	4,039	4,044	0	0	4,044
Held-to-maturity investments	3,258,589	3,266,252	0	0	3,266,252
Total loan portfolio and investments	75,556,850	76,274,665	0	0	76,274,665

	December 31, 2023				
Liabilities	**Carrying Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Demand deposits	40,667,499	40,667,499	0	0	40,667,499
Checking deposits	7,926,833	7,926,833	0	0	7,926,833
Savings deposits	31,525,134	31,525,134	0	0	31,525,134
Other deposits	1,215,532	1,215,532	0	0	1,215,532
Term deposits	36,486,819	33,451,258	0	0	33,451,258
Certificates of deposit and real value savings certificates	36,486,819	33,451,258	0	0	33,451,258
Total deposits and current liabilities	77,154,318	74,118,757	0	0	74,118,757

The following is a summary of the fair value hierarchy at March 31, 2024:

Assets and Liabilities	March 31, 2024				
Hierarchies	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets	14,653,002	14,653,002	6,319,271	8,005,739	327,992
Assets at fair value measured on a recurring basis	14,653,002	14,653,002	6,319,271	8,005,739	327,992
Investments	7,704,719	7,704,719	6,319,271	1,057,456	327,992
Investments at fair value through profit or loss	**4,021,548**	**4,021,548**	**2,994,417**	**1,027,131**	**0**
Bonds	515	515	0	515	0
Certificate of deposit	1,022,212	1,022,212	0	1,022,212	0
Treasury securities - TES	2,998,821	2,998,821	2,994,417	4,404	0
Investments at fair value through OCI	**3,315,349**	**3,315,349**	**3,269,213**	**30,325**	**15,811**
Treasury securities - TES	3,093,004	3,093,004	3,076,125	16,879	0
Certificate of deposit	13,446	13,446	0	13,446	0
Mortgage securities - TIPS	15,811	15,811	0	0	15,811
Other securities	193,088	193,088	193,088	0	0
Investments in Equity Instruments	**334,662**	**334,662**	**55,641**	**0**	**279,021**
Holding Bursatil Chilena SA	55,641	55,641	55,641	0	0
Credibanco S.A.	135,086	135,086	0	0	135,086
Redeban Multicolor S.A.	25,586	25,586	0	0	25,586
ACH Colombia S.A.	118,349	118,349	0	0	118,349
Investments in non-controlled entities	**33,160**	**33,160**	**0**	**0**	**33,160**
Fondo para el Financiamiento del Sector Agropecuario “FINAGRO”	33,160	33,160	0	0	33,160
Derivative financial instruments and (asset) cash transactions	6,948,283	6,948,283	0	6,948,283	0
Trading	**6,755,087**	**6,755,087**	**0**	**6,755,087**	**0**
Forward contracts	3,471,962	3,471,962	0	3,471,962	0
Cash transactions	781	781	0	781	0
Options	19,409	19,409	0	19,409	0
Swaps	3,262,935	3,262,935	0	3,262,935	0
Hedging	**193,196**	**193,196**	**0**	**193,196**	**0**
Swaps	193,196	193,196	0	193,196	0
Liabilities	6,961,664	6,961,664	0	6,961,664	0
Liabilities at fair value measured on a recurring basis	6,961,664	6,961,664	0	6,961,664	0
Derivative Financial Instruments and (Liability) Cash Transactions	6,961,664	6,961,664	0	6,961,664	0

Trading	**6,961,664**	**6,961,664**	**0**	**6,961,664**	**0**
Forward contracts	3,677,715	3,677,715	0	3,677,715	0
Cash transactions	262	262	0	262	0
Options	19,400	19,400	0	19,400	0
Swaps	3,264,287	3,264,287	0	3,264,287	0

Hierarchies	Carrying Value	Amortized Cost	Level 1	Level 2	Level 3
Assets	9,540,607	9,540,607	7,518,886	498,474	0
Assets measured on a non-recurring basis	9,540,607	9,540,607	7,518,886	498,474	0
Cash, cash balances in central banks and other demand deposits	8,017,360	8,017,360	7,518,886	498,474	0
Cash and deposits in banks	7,518,886	7,518,886	7,518,886	0	0
Investment funds	29,811	29,811	0	29,811	0
Money market and related transactions	468,663	468,663	0	468,663	0
Others	1,523,247	1,523,247	0	0	0
Advances to contracts and suppliers	106,802	106,802	0	0	0
Accounts receivable (net)	1,416,445	1,416,445	0	0	0
Liabilities	9,212,491	9,212,491	0	2,528,649	5,133,515
Investment securities	2,528,649	2,528,649	0	2,528,649	0
Outstanding Investment Securities	2,528,649	2,528,649	0	2,528,649	0
Financial Obligations	5,133,515	5,133,515	0	0	5,133,515
Bank credits and other financial obligations	5,133,515	5,133,515	0	0	5,133,515
Others	1,550,327	1,550,327	0	0	0
Accounts payable	1,011,521	1,011,521	0	0	0
Other Liabilities	538,806	538,806	0	0	0
Total assets and liabilities at fair value	40,367,764	40,367,764	13,838,157	17,994,526	5,461,507

No transfers between hierarchy levels were made in 2024

The following is a summary of the fair value hierarchy at December 31, 2023:

Assets and Liabilities	December 31, 2023				
Hierarchies	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Assets	16,198,543	16,198,543	4,140,759	11,721,457	336,327
Assets at fair value measured on a recurring basis	16,198,543	16,198,543	4,140,759	11,721,457	336,327
Investments	6,658,934	6,658,934	4,140,759	2,181,848	336,327
Investments at fair value through profit or loss	**3,722,995**	**3,722,995**	**1,561,621**	**2,161,374**	**0**
Bonds	15,843	15,843	0	15,843	0
Certificate of deposit	1,286,646	1,286,646	0	1,286,646	0
Treasury securities - TES	2,420,506	2,420,506	1,561,621	858,885	0
Investments at fair value through OCI	**2,550,615**	**2,550,615**	**2,514,594**	**20,474**	**15,547**
Treasury securities - TES	2,514,594	2,514,594	2,514,594	0	0
Certificate of deposit	20,474	20,474	0	20,474	0
Mortgage securities - TIPS	15,547	15,547	0	0	15,547
Investments in Equity Instruments	**344,388**	**344,388**	**64,544**	**0**	**279,844**
Holding Bursatil Chilena SA	64,544	64,544	64,544	0	0
Credibanco S.A.	135,909	135,909	0	0	135,909
Redeban Multicolor S.A.	25,586	25,586	0	0	25,586
ACH Colombia S.A.	118,349	118,349	0	0	118,349
Investments in non-controlled entities	**40,936**	**40,936**	**0**	**0**	**40,936**
Fondo para el Financiamiento del Sector Agropecuario “FINAGRO”	40,936	40,936	0	0	40,936
Derivative financial instruments and (asset) cash transactions	9,539,609	9,539,609	0	9,539,609	0
Trading	**9,320,646**	**9,320,646**	**0**	**9,320,646**	**0**
Forward contracts	5,756,081	5,756,081	0	5,756,081	0
Cash transactions	986	986	0	986	0
Options	53,042	53,042	0	53,042	0
Swaps	3,510,537	3,510,537	0	3,510,537	0
Hedging	**218,963**	**218,963**	**0**	**218,963**	**0**
Swaps	218,963	218,963	0	218,963	0
Liabilities	9,559,047	9,559,047	0	9,559,047	0
Liabilities at fair value measured on a recurring basis	9,559,047	9,559,047	0	9,559,047	0
Derivative Financial Instruments and (Liability) Cash Transactions	9,559,047	9,559,047	0	9,559,047	0
Trading	**9,544,711**	**9,544,711**	**0**	**9,544,711**	**0**

Forward contracts	5,899,280	5,899,280	0	5,899,280	0
Cash transactions	107	107	0	107	0
Options	53,056	53,056	0	53,056	0
Swaps	3,592,268	3,592,268	0	3,592,268	0
Hedging	**14,336**	**14,336**	**0**	**14,336**	**0**
Swaps	14,336	14,336	0	14,336	0
Hierarchies	Carrying Value	Amortized Cost	Level 1	Level 2	Level 3
Assets	11,997,897	11,997,897	8,580,285	2,605,188	0
Assets measured on a non-recurring basis	11,997,897	11,997,897	8,580,285	2,605,188	0
Cash, cash balances in central banks and other demand deposits	11,185,473	11,185,473	8,580,285	2,605,188	0
Cash and deposits in banks	8,580,285	8,580,285	8,580,285	0	0
Investment funds	29,057	29,057	0	29,057	0
Money market and related transactions	2,576,131	2,576,131	0	2,576,131	0
Others	812,424	812,424	0	0	0
Advances to contracts and suppliers	105,939	105,939	0	0	0
Accounts receivable (net)	706,485	706,485	0	0	0
Liabilities	9,173,758	9,173,758	0	2,519,332	5,137,874
Investment securities	2,519,332	2,519,332	0	2,519,332	0
Outstanding Investment Securities	2,519,332	2,519,332	0	2,519,332	0
Financial Obligations	5,137,874	5,137,874	0	0	5,137,874
Bank credits and other financial obligations	5,137,874	5,137,874	0	0	5,137,874
Others	1,516,552	1,516,552	0	0	0
Accounts payable	1,021,094	1,021,094	0	0	0
Other Liabilities	495,458	495,458	0	0	0
Total assets and liabilities at fair value	46,929,245	46,929,245	12,721,044	26,405,024	5,474,201

No transfers between hierarchy levels were made in 2023

The Group discloses transfers between the levels of fair value hierarchy at the end of the period during which the change occurred. For the first quarter of 2024 and the fourth quarter of 2023, no transfers of financial instruments measured at fair value between hierarchy levels were recorded.

Fair Value measurements classified in level 3

The following are the movements of assets classified in the level 3 hierarchy level

Level 3 investments disclosure		March 31, 2024		December 31, 2023
Balance at the beginning of year	COP	3,281,799	COP	3,015,085
Purchases		0		3,182,712
Sales / maturities		-328,913		-3,043,327
Valuation		508,015		126,493
Impairment		0		836
Balance at the end of year	**COP**	**3,460,901**	**COP**	**3,281,799**

During the first quarter of 2024, there was a variation in investments classified as level 3, which correspond to maturities of securities carried out by the Group in accordance with the nature and dynamics of the business.

8. Cash and cash equivalents

Below is a summary of cash and cash equivalents:

Cash and cash equivalents		March 31, 2024		December 31, 2023
Cash	COP	3,491,658	COP	2,633,811
Deposits in the Central Bank		1,135,944		2,246,028
Deposits in other banks		1,647		4,699
Remittances in transit of negotiated checks		21		26
Subtotal cash and deposits in banks in local currency		4,629,270		4,884,564
Cash		675		668
Foreign correspondents		2,888,949		3,695,090
Impairment foreign correspondents		-8		-38
Subtotal cash and bank deposits in foreign currency		2,889,616		3,695,720
Total cash and deposits in banks		7,518,886		8,580,284
Investment funds		29,811		29,058
Money market and related transactions		468,663		2,576,131
Total cash and cash equivalents	**COP**	**8,017,360**	**COP**	**11,185,473**

Cash and cash equivalents showed a 28% variation, with the most representative items being: The impairment of foreign correspondents decreased by 79% amounting to COP 30; deposits in other banks decreased by 65% totaling COP 3,052; and foreign correspondents decreased by 22% totaling COP 806,141. Among the most representative operations are with Bank of America for COP 23,037, BBVA Madrid for COP 7,495, CitiBank NA New York for COP 779,038, and an increase in Well Fargo BK NY by COP 4,667.

Regarding the deposits at the Central Bank of Colombia, there is a decrease of COP 1,110,084, which is due to the reversal of simultaneous operations, external system purchases, title management operations, and other transactions carried out by the treasury.

As of March 31, 2024, and December 31, 2023, there are no reconciling items over 30 days old in the operations of the Central Bank of Colombia.

As of December 31, 2023 and March 31, 2024, the number of reconciling items in foreign correspondent banks over 90 days was 75 and 8 respectively, on which the impairment calculation was performed, resulting in a value of COP 8 as of the end of the first quarter.

As of March 31, 2024, the legal reserve required and maintained at Banco República was COP 3,861,252, necessary to meet liquidity requirements for deposits and liabilities. The legal reserve is determined according to the reserve requirements set by the Board of Directors of the Central Bank of Colombia, based on percentages of the average deposits held by the Bank from its clients.

There are no restrictions on cash and cash equivalents to meet the liquidity requirements in deposits and on-demand liabilities.

Regarding transfer commitments in closed repo transactions, there was an 82% decrease compared to the close of December 2023, represented in repos with the Bank of the Republic with maturities of 1 to 8 calendar days at a rate of 11.66%, and similar behavior with the Counterparty Clearing House at an average rate of 11.19% for maturities of 1 and 8 calendar days. Similarly, as of the end of March 2024, no ordinary commitments in short positions were established.

9. Financial investment assets, net

The following is a summary of financial investment assets:

Financial investment assets, net		March 31, 2024		December 31, 2023
Investments at fair value through profit or loss				
Treasury Securities - TES	COP	2,998,821	COP	2,420,506
Other securities issued by the National Government		10,454		0
Other domestic issuers		1,012,273		1,302,489
Subtotal investments at fair value through profit or loss		4,021,548		3,722,995
Investments at fair value through OCI				
Treasury Securities - TES		3,098,039		2,518,818
Other domestic issuers		397,105		421,381
Impairment of investments		-5,375		-4,260
Other foreign issuers		193,402		0
Subtotal investments at fair value through OCI		3,683,171		2,935,939
Investments at amortized cost				
Other securities issued by the National Government		3,440,366		3,260,018

Other domestic issuers		4,044		4,045
Impairment of investments		-5,598		-5,474
Subtotal of investments at amortized cost		3,438,812		3,258,589
Total financial investment assets, net	COP	11,143,531	COP	9,917,523

By the end of March 2024, there was an increase in the portfolio of investments measured at fair value through profit or loss by COP 298,553, primarily due to the purchase and sale of marketable securities for speculative purposes, which, due to the nature of the business, are conducted as part of the Group's liquidity management.

Between March 2024 and December 2023, there is an increase in investment securities at fair value with changes in OCI of COP 747,232, mainly in Treasury securities TES for COP 579,221 delivered in money market operations.

Additionally, on March 27, 2024, a purchase of a security (United States Treasury Bill) with a face value of USD 50,000,000 valued at USD 50,335,000 was made, which matures on February 28, 2029. This investment corresponds to the Bank's strategy to enter derivatives for hedge accounting, which will allow neutralizing the impact on results of derivatives against covered items (Interest Rate Hedging, Exchange Rate Hedging, Inflation, and UVR).

For the first quarter of the year 2024, the inventory of investments at amortized cost shows an increase of COP 180,223, mainly due to other securities issued by the national government for COP 180,348 delivered in money market operations, and no transactions were agreed upon in financial instruments.

March 31, 2024

Item	Domicile	Share Capital	Shareholdings	Shareholdings Percentage %	Carrying Value	Assets	Liabilities	Profits and/or Losses
Investments in non-controlled entities								
Credibanco S.A.	Bogotá D.C.	9,031	1,142	12.65%	135,086	434,582	175,120	6,328
Redeban Multicolor S.A.	Bogotá D.C.	15,792	1,628	10.31%	25,586	2,707,151	2,512,895	8,163
A.C.H. Colombia S.A.	Bogotá D.C.	6,595	707	10.72%	118,349	397,512	261,658	17,958
Fondo para el Financiamiento del Sector Agropecuario “FINAGRO”	Bogotá D.C.	413,051	37,546	9.09%	33,160	19,069,195	17,862,724	23,226
Holding Bursatil Chilena S.A.	Bogotá D.C.	450,368	58,052	12.89%	55,641	450,368	0	0
Total investments in non-controlled entities					367,822			

December 31, 2023

Item	Domicile	Share Capital	Shareholdings	Shareholdings Percentage %	Carrying Value	Assets	Liabilities	Profits and/or Losses
Investments in non-controlled entities								
Credibanco S.A.	Bogotá D.C.	9,031	1,142	12.65%	135,909	431,534	180,505	31,768
Redeban Multicolor S.A.	Bogotá D.C.	15,792	1,628	10.31%	25,586	2,101,985	1,918,782	32,351
A.C.H. Colombia S.A.	Bogotá D.C.	6,595	707	10.72%	118,349	529,470	411,574	107,889
Fondo para el Financiamiento del Sector Agropecuario “FINAGRO”	Bogotá D.C.	413,051	37,546	9.09%	40,936	18,215,627	17,009,890	150,454
Holding Bursatil Chilena S.A.	Bogotá D.C.	450,368	58,052	12.89%	64,544	450,368	0	0
Total investments in non-controlled entities					385,324			

For investments classified as non-controlled interests in Credibanco S.A., ACH Colombia S.A., and Redeban Multicolor S.A., their measurement is carried out in accordance with the valuation according to "Precia" as of the valuation date, taking into account the subsequent equity variations after the acquisition of the investment, which are recorded in other comprehensive income.

For investments classified as non-controlled participating interests in the Agricultural Financing Fund (FINAGRO), valuation is performed according to the marketability index, taking into account the equity variations subsequent to the investment's acquisition. To this effect, the variation in the issuer's equity is calculated based on the latest certified financial statements, which are those at February 29, 2024.

In the case of participation in the new Holding Bursátil Chilena S.A., the share price published by the Bolsa de Comercio de Santiago BCS S.A., converted to Colombian pesos, is considered. These shares were valued at a market price of COP 17,729.15 at the close of March 2024; these valuations are recorded with changes in other comprehensive income.

For the Investments of ACH Colombia S.A. and Redeban Multicolor S.A., they are presented in this report with the valuation made by the price vendor Precia (Price Vendor for Valuation). According to reports prepared using the Cash Flow method, the valuation of shares was COP 167,404.87 for ACH Colombia S.A. and COP 15,833.82 for Redeban Multicolor S.A. as of December 2023.

For the investment held by the Bank in Credibanco S.A., the valuation is carried out by "Precia" (Price vendor for valuation) which is applicable to the entire Colombian Financial sector, for the closing of February 2024 and December 2023, the price is COP 118.20 and COP 118.92 respectively; these valuations are recorded in other comprehensive income.

Restrictions on Investments

As of March 31, 2024, there are no restrictions on the investments mentioned above, except for the securities under embargo, which increased compared to December 31, 2023. These are included in the classification at fair value through profit or loss. The embargoes are generated by judicial rulings against the Bank, which are received through the offices, the Central Securities Depository (DECEVAL), and/or the Central Bank of Colombia:

Class of Security		March 31, 2024		December 31, 2023
Certificates of deposit		849		850
TDA's		123		0
Total	COP	972	COP	850

10. Derivative Financial Instruments and Cash Operations

Below is the summary of derivative financial instruments and spot transactions:

Derivative financial instruments and (asset) cash transactions		March 31, 2024		December 31, 2023
Trading	COP	6,755,087	COP	9,320,646
Hedging		193,196		218,963
Total derivative financial instruments and (asset) cash transactions (Asset)	COP	6,948,283	COP	9,539,609

Financial instruments at fair value suffered a decrease due to trading forward operations, showing a variation of COP 2,591,326 in active position for trades conducted with the same counterparty. Trading swaps experienced a decrease of COP 247,601 mainly corresponding to contracts with BBVA Madrid, resulting in a decrease compared to December 31, 2023, of COP 2,591,326.

On the other hand, the hedging Swaps show a decrease of COP 25,766 due to the exchange rate variation of COP 20.25 (Dec COP 3,822.05 - Mar COP 3,842.30)

Derivative Financial Instruments and (Liability) Cash Transactions		**March 31, 2024**		**December 31, 2023**
Trading	COP	6,961,664	COP	9,544,711
Hedging		0		14,336
Subtotal Derivative Financial Instruments		**6,961,664**		**9,559,047**
Money Market and Simultaneous Transactions				
Ordinary interbank funds purchased:				
Banks		80,127		0
Subtotal interbank funds purchased		80,127		0
Commitments of transfer in closed and simultaneous repo operations				
Central Bank of Colombia		1,751,296		1,650,001
Insurance companies		1,355		0
Cámara de Riesgo Central de Contraparte S.A.		43,496		113,598
Others		19,703		0
Subtotal of commitments in closed and simultaneous repo operations		1,815,850		1,763,599
Commitments originated in short positions for simultaneous transactions				

Derivative Financial Instruments and (Liability) Cash Transactions		March 31, 2024		December 31, 2023
Central Bank of Colombia		143,106		567,881
Insurance companies		22,687		6,966
Corredores Asociados S.A.		0		1,823
Banks and financial corporations		0		32,191
Fund management companies		15,242		0
Foreign residents		69,855		345,797
Subtotal Commitments Originated in Short Positions for Simultaneous Transactions		250,890		954,659
Subtotal Money Market and Simultaneous Transactions		**2,146,867**		**2,718,258**
Total Derivative Financial Instruments and Spot Transactions (Liability)	COP	9,108,531	COP	12,277,305

For derivative financial instruments and passive spot transactions, a decrease is evidenced compared to December 2023 amounting to COP 2,597,383, due to forward contracts and negotiation swaps that showed a variation of COP 2,221,565 and COP 327,980 respectively during the analysis period. This behavior was influenced by the exchange rate variation throughout the year 2024.

The variation presented in hedging derivative instruments of COP 14,336 is due to the compliance with the cash flow hedging established in 2023.

At the end of the first quarter of 2024, money market and simultaneous market operations, derivative financial instruments, and spot operations show a decrease of 21.02%, represented by COP 571,391.

In March 2024, ordinary interbank funds were purchased with banks for COP 80,127 at an average rate of 11.39% with a maturity of 1 day, whereas at the end of December 2023, no interbank funds were purchased.

In turn, at March 31, 2024, repo transactions were agreed with the Central Bank of Colombia at an average rate of 11.66%, with maturities between 1 and 3 calendar days, while at the end of December 2023, closed repo transactions were agreed with the Central Bank of Colombia at an average rate of 12.23% and a maturity between 3 and 8 calendar days.

As of March 31, 2024, and December 31, 2023, there are no restrictions on derivative investments and money market operations.

11. Loan portfolio and financial lease transactions, net

The following is a summary by portfolio type, net:

March 31, 2024

Modalities	Stage 1	Stage 2	Stage 3	Impairment	Total
Commercial Loan Portfolio	COP 29,206,382	COP 1,351,363	COP 652,807	COP -773,691	COP 30,436,861
Consumer Loan Portfolio	23,109,495	3,913,233	2,476,882	-2,278,537	27,221,073
Mortgage portfolio	12,865,119	1,588,385	807,609	-605,601	14,655,512
Total net loan portfolio and finance lease transactions	COP 65,180,996	COP 6,852,981	COP 3,937,298	COP -3,657,829	COP 72,313,446

December 31, 2023

Modalities	Stage 1	Stage 2	Stage 3	Impairment	Total
Commercial Loan Portfolio	COP 29,203,630	COP 1,224,205	COP 668,885	COP -817,431	COP 30,279,289
Consumer Loan Portfolio	24,048,773	3,331,924	2,261,741	-2,226,800	27,415,638
Mortgage portfolio	12,791,560	1,594,614	775,668	-558,508	14,603,334
Total net loan portfolio and finance lease transactions	COP 66,043,963	COP 6,150,743	COP 3,706,294	COP -3,602,739	COP 72,298,261

The Group's net portfolio shows a slight increase of 0.02% valued at COP 15,185. The commercial loan portfolio, with COP 157,572, mainly consists of corporate loans and loans to territorial entities, showing a variation of 0.5% compared to December 2023. Similarly, the housing portfolio slightly increased by COP 52,178, showing a variation of 0.4%. Conversely, the consumer loan portfolio decreased by COP 194,565, representing a variation of -0.7% compared to December 31, 2023.

The loan portfolio remained in line with the macroeconomic events faced by the country, impacted by the rise in inflation and interest rates. The Group seeks to maintain growth aligned with the intention of achieving the inflation objectives set by the Central Bank, generating benefits to customers through healthy financing.

The consumer loan portfolio, comprising payroll loans, vehicle loans, free investment loans, revolving credits, individual credit cards, and individual overdrafts, showed an annual decrease of 0.7%. Moreover, payroll loans represent the largest share of the consumer loan portfolio, followed by credit card and vehicle loans. Payroll loans exhibited growth of 1% compared to the previous year.

Here is the breakdown of the portfolio by modalities and stage:

March 31, 2024

	Stage 1 Expected credit losses in the next 12 months	Stage 2 Expected credit losses over the lifetime of the asset	Stage 3 Credit losses expected during the lifetime of the asset with impairment	Total
Enterprise	COP 9,656,873	COP 590,417	COP 318,176	COP 10,565,466
Institutional	5,429,344	154,018	471	5,583,833
Corporate	8,169,221	210,493	0	8,379,714
Financial entities	2,261,354	32	13	2,261,399
Representative	1,063,243	19,336	97,082	1,179,661
Small Enterprises	2,626,347	377,067	237,065	3,240,479
	29,206,382	**1,351,363**	**652,807**	**31,210,552**
Impairment	-335,546	-76,069	-362,076	-773,691
Net commercial loan portfolio	28,870,836	1,275,294	290,731	30,436,861
Vehicle	4,062,946	993,869	1,294,101	6,350,916
Payroll Loan	1,283,898	200,395	137,565	1,621,858
Consumer	14,246,711	2,246,346	458,676	16,951,733
Overdraft	3,515,940	472,623	586,540	4,575,103
	23,109,495	**3,913,233**	**2,476,882**	**29,499,610**
Impairment	-887,550	-359,647	-1,031,340	-2,278,537
Net consumer loan portfolio	22,221,945	3,553,586	1,445,542	27,221,073
Mortgage	12,865,119	1,588,385	807,609	15,261,113
	12,865,119	**1,588,385**	**807,609**	**15,261,113**
Impairment	-180,698	-93,434	-331,469	-605,601
Net mortgage portfolio	12,684,421	1,494,951	476,140	14,655,512
Total gross loan portfolio and finance lease transactions	65,180,996	6,852,981	3,937,298	75,971,275
Total impairment	-1,403,794	-529,150	-1,724,885	-3,657,829
Total net loan portfolio and finance lease transactions	COP 63,777,202	COP 6,323,831	COP 2,212,413	COP 72,313,446

December 31, 2023

		Stage 1		Stage 2		Stage 3		Total
		Expected credit losses in the next 12 months		Expected credit losses over the lifetime of the asset		Credit losses expected during the lifetime of the asset with impairment		
Commercial Loan Portfolio								
Enterprise	COP	11,188,146	COP	612,733	COP	424,959	COP	12,225,838
Institutional		2,406,455		44,340		507		2,451,302
Corporate		8,138,311		153,493		0		8,291,804
Financial entities		2,389,529		11,378		75		2,400,982
Territorial Entities		2,949,899		121,507		0		3,071,406
Representative		992,517		22,208		96,213		1,110,938
Small Enterprises		1,138,773		258,546		147,131		1,544,450
		29,203,630		**1,224,205**		**668,885**		**31,096,720**
Impairment		-334,588		-99,004		-383,839		-817,431
Net commercial loan portfolio		28,869,042		1,125,201		285,046		30,279,289
Consumer Loan Portfolio								
Vehicle		1,287,516		184,521		130,280		1,602,317
Payroll Loan		14,433,902		1,870,946		379,488		16,684,336
Consumer		4,767,848		865,266		1,157,253		6,790,367
Overdraft		691		295		365		1,351
Cards		3,360,377		383,905		566,749		4,311,031
Revolving		198,439		26,991		27,606		253,036
		24,048,773		**3,331,924**		**2,261,741**		**29,642,438**
Impairment		-871,080		-367,665		-988,055		-2,226,800
Net consumer loan portfolio		23,177,693		2,964,259		1,273,686		27,415,638
Mortgage portfolio								
Mortgage		12,791,560		1,594,614		775,668		15,161,842
		12,791,560		**1,594,614**		**775,668**		**15,161,842**
Impairment		-150,577		-85,787		-322,144		-558,508
Net mortgage portfolio		12,640,983		1,508,827		453,524		14,603,334
Total gross loan portfolio and finance lease transactions		66,043,963		6,150,743		3,706,294		75,901,000
Total impairment		-1,356,245		-552,456		-1,694,038		-3,602,739
Total net loan portfolio and finance lease transactions	COP	64,687,718	COP	5,598,287	COP	2,012,256	COP	72,298,261

Reconciliation of loan portfolio impairment - provision movements

The following is the reconciliation between the expected loss provision by class of financial instrument:

March 31, 2024

		Stage 1		Stage 2		Stage 3		
		Expected credit losses in the next 12 months		Expected credit losses over the lifetime of the asset		Credit losses expected during the lifetime of the asset with impairment		Total
Commercial Loan Portfolio								
Opening Balance as of January 1, 2024	COP	-334,588	COP	-99,004	COP	-383,839	COP	-817,431
Transfer from Stage 1 to Stage 2		879		-879		0		0
Transfer from Stage 1 to Stage 3		648		0		-648		0
Transfer from Stage 2 to Stage 1		-5,574		5,574		0		0
Transfer from Stage 2 to Stage 3		0		5,199		-5,199		0
Transfer of Stage 3 to Stage 1		-1,503		0		1,503		0
Transfer of Stage 3 to Stage 2		0		-3,595		3,595		0
Impairment		-120,293		-8,728		-107,805		-236,826
Reversal of loan loss provision		114,816		10,038		67,436		192,290
Loans written off		0		0		25,942		25,942
Impairment adjustment as per IFRS 9 in the Condensed Interim Consolidated Statement of Other Comprehensive Income		3,042		15,019		32,968		51,029
Debt forgiveness		0		0		3,823		3,823
Other movements		7,027		307		148		7,482
Net reconciliation of the commercial loan portfolio allowance		**-335,546**		**-76,069**		**-362,076**		**-773,691**
Consumer Loan Portfolio								
Opening Balance as of January 1, 2024		-871,080		-367,665		-988,055		-2,226,800
Transfer from Stage 1 to Stage 2		32,814		-32,814		0		0
Transfer from Stage 1 to Stage 3		10,331		0		-10,331		0
Transfer from Stage 2 to Stage 1		-28,790		28,790		0		0
Transfer from Stage 2 to Stage 3		0		122,557		-122,557		0
Transfer of Stage 3 to Stage 1		-8,499		0		8,499		0
Transfer of Stage 3 to Stage 2		0		-19,525		19,525		0

Impairment	-59,791	-42,180	-960,916	-1,062,887
Reversal of loan loss provision	-194	-674	441,466	440,598
Loans written off	0	0	396,293	396,293
Impairment adjustment as per IFRS 9 in the Condensed Interim Consolidated Statement of Other Comprehensive Income	31,035	-49,258	170,204	151,981
Debt forgiveness	0	0	13,822	13,822
Other movements	6,624	1,122	710	8,456
Net reconciliation of the consumer loan portfolio allowance	**-887,550**	**-359,647**	**-1,031,340**	**-2,278,537**
Mortgage portfolio				
Opening Balance as of January 1, 2024	-150,577	-85,787	-322,144	-558,508
Transfer from Stage 1 to Stage 2	1,076	-1,076	0	0
Transfer from Stage 1 to Stage 3	386	0	-386	0
Transfer from Stage 2 to Stage 1	-7,703	7,703	0	0
Transfer from Stage 2 to Stage 3	0	8,085	-8,085	0
Transfer of Stage 3 to Stage 1	-15,347	0	15,347	0
Transfer of Stage 3 to Stage 2	0	-10,953	10,953	0
Impairment	-35,114	-6,940	-27,466	-69,520
Reversal of loan loss provision	20,958	141	41,540	62,639
Loans written off	0	0	14,221	14,221
Impairment adjustment as per IFRS 9 in the Condensed Interim Consolidated Statement of Other Comprehensive Income	5,097	-4,672	-59,793	-59,368
Debt forgiveness	0	0	4,311	4,311
Other movements	526	65	33	624
Net reconciliation of the mortgage portfolio allowance	**-180,698**	**-93,434**	**-331,469**	**-605,601**
Amount without deducting from portfolio originated with credit impairment upon initial recognition				
Total balance at March 31, 2024	COP -1,403,794	COP -529,150	COP -1,724,885	COP -3,657,829

March 31, 2023

	Stage 1 Expected credit losses in the next 12 months	Stage 2 Expected credit losses over the lifetime of the asset	Stage 3 Credit losses expected during the lifetime of the asset with impairment	Total
Commercial Loan Portfolio				
Opening balance at January 1, 2023	COP -134,108	COP -136,110	COP -717,505	COP -987,723
Impairment	-100,773	-77,285	-149,225	-327,283
Reversal of loan loss provision	104,007	10,944	217,930	332,881
Loans written off	0	0	25,696	25,696
Impairment adjustment as per IFRS 9 in the Consolidated Statement of Other Comprehensive Income	-386,064	164,704	226,151	4,791
Debt forgiveness	0	0	2,217	2,217
Other movements	306	16	63	385
Net reconciliation of the commercial loan portfolio allowance	**-516,632**	**-37,731**	**-394,673**	**-949,036**
Consumer Loan Portfolio				
Opening balance at January 1, 2023	-374,017	-311,789	-1,078,837	-1,764,643
Impairment	-59,517	-15,488	-576,752	-651,757
Reversal of loan loss provision	28,094	-310	239,063	266,847
Loans written off	0	0	234,843	234,843
Impairment adjustment as per IFRS 9 in the Consolidated Statement of Other Comprehensive Income	-493,930	124,763	465,863	96,696
Debt forgiveness	0	0	8,304	8,304
Other movements	321	48	24	393
Net reconciliation of the consumer loan portfolio allowance	**-899,049**	**-202,776**	**-707,492**	**-1,809,317**
Mortgage portfolio				
Opening balance at January 1, 2023	-119,876	-150,456	-457,815	-728,147
Impairment	-23,577	-4,562	-16,430	-44,569
Reversal of loan loss provision	13,394	0	27,157	40,551
Loans written off	0	0	5,212	5,212
Impairment adjustment as per IFRS 9 in the Consolidated Statement of Other Comprehensive Income	-511,708	125,290	365,248	-21,170
Debt forgiveness	0	0	2,980	2,980
Other movements	23	4	2	29

	Stage 1 Expected credit losses in the next 12 months		Stage 2 Expected credit losses over the lifetime of the asset		Stage 3 Credit losses expected during the lifetime of the asset with impairment		Total
Net reconciliation of the mortgage portfolio allowance		-641,744		-29,724		-73,646	-745,114
Amount without deducting from portfolio originated with credit impairment upon initial recognition							
Total balance at March 31, 2023	COP	-2,057,425	COP	-270,231	COP	-1,175,811	COP -3,503,467

12. Accounts receivable, Net

The following is a summary of accounts receivable, net:

Accounts receivable, Net		March 31, 2024		December 31, 2023
Dividends and shares (1)	COP	52,281	COP	0
Fees		20,886		19,887
Accounts transferred to Icetex		155,460		155,145
To parent company, subsidiaries, related parties and associates (2)		0		464
To employees (3)		1,763		263
Deposits as collateral (4)		980,206		355,183
Taxes		410		455
Advances to contracts and suppliers		106,802		105,939
Prepaid expenses*		56,640		45,488
Miscellaneous (5)		160,884		142,517
Subtotal		1,535,332		825,341
Impairment of accounts receivable		-12,085		-12,917
Total accounts receivable, net	COP	1,523,247	COP	812,424

1. For the period between March 2024 and December 2023, there is a variation of COP 52,281 in dividends and shares corresponding to the dividend distribution project from the 2023 year-end results, of which COP 32,862 is for BBVA Asset Management S.A. Trust Company, COP 4,378 for BBVA Valores Colombia S.A. Stockbroker, and COP 15,041 in dividends from other shares held in the Bank.

2. Corresponds to the cancellation of outstanding accounts payable to suppliers for workstation services and transportation services.

3. BBVA Colombia offers its employees benefits classified as short-term, among which stand out those granted under the modality of meeting global and specific indicators of each Business Unit.

4. In the line of deposits in guarantee, there was an increase of COP 625,023 mainly due to the Margin Call from derivative operations, where collaterals with non-residents are recorded, notably: BBVA Madrid with an increase of USD 125,000,000 and BBVA Madrid Clearing Broker for USD 35,000,000.

5. In the various account, there is a variation of COP 18,367, where the most significant increases correspond to COP 5,964 in daily settlements of the Counterparty Clearing House CRCC operations and COP 4,340 in derivatives settlement.

The movement related to the value of the impairment between the year 2023 and the first quarter of 2024 was as follows:

Movement of the impairment accounts for accounts receivable		March 31, 2024		December 31, 2023
Balance at the beginning of period	COP	-12,917	COP	-29,168
Impairment charged to expenses		-1		0
Impairment recoveries		833		16,251
Balance at the end of year	COP	-12,085	COP	-12,917

(*) Prepaid expenses

Prepaid expenses are summarized as follows:

Item		March 31, 2024		December 31, 2023
Corporate software maintenance	COP	32,567	COP	28,234
Insurance		6,541		9,234
Electronics		791		283
Others		16,741		7,737
Total prepaid expenses	**COP**	**56,640**	**COP**	**45,488**

In prepaid expenses, there is a variation of COP 11,152; this item includes contracts for robust local and corporate software maintenance, the amortization period is stipulated according to legal or contractual rights and cannot exceed the period of these rights but may be shorter than agreed by the parties. The time indicated in useful life depends on the period during which the Entity expects to use the asset.

The additions recorded during the first quarter of 2024 in prepaid expenses accounts relate to the following concepts:

- Payments made to acquire global, multi-risk, life and vehicle insurance policies.
- Payments made for renewals of software maintenance and support, transfer prices and technical data storage services.
- Deferred municipal tax generated during 2024.

The withdrawals made during the first quarter of 2024 correspond to the amortizations generated during the period when the services are received or their costs or expenses are incurred.

13. Tangible assets, net

The following is a summary of tangible assets, net:

March 31, 2024

Item	Lands	Buildings (3)(6)	Vehicles	Fixtures and accessories (2) (5)	Computers (1)(5)	Machinery, plant and equipment in assembly (4)	Improvements to assets under lease	Constructions in progress (3)	Right-to-use assets	Properties in joint operations	Total
Cost											
Balance at December 31, 2023	**COP 143,233**	**COP 621,809**	**COP 965**	**COP 247,314**	**COP 329,451**	**COP 843**	**COP 17,399**	**COP 1,077**	**COP 259,298**	**COP 2,150**	**COP 1,623,539**
Purchases	0	0	0	634	1,639	130	0	445	0	0	2,848
Activations / additions	0	593	0	0	806	0	0	0	4,952	138	6,489
Removals	0	0	0	-2,509	-970	-857	0	-842	0	0	-5,178
Transfer to non-current assets held for sale	0	0	0	-7,666	-2,338	0	0	0	0	0	-10,004
Cost balance at March 31, 2024	**143,233**	**622,402**	**965**	**237,773**	**328,588**	**116**	**17,399**	**680**	**264,250**	**2,288**	**1,617,694**
Depreciation											
Balance at December 31, 2023	**0**	**-232,506**	**-633**	**-179,959**	**-257,395**	**0**	**-2,023**	**0**	**-131,441**	**-983**	**-804,940**
Depreciation for the fiscal year	0	-1,538	0	-4,217	-6,681	0	-524	0	-8,220	-67	-21,247
Removals	0	0	0	2,509	253	0	0	0	0	0	2,762
Transfer to non-current assets held for sale	0	0	0	7,666	2,338	0	0	0	0	0	10,004
Impairment balance at March 31, 2024	**0**	**-234,044**	**-633**	**-174,001**	**-261,485**	**0**	**-2,547**	**0**	**-139,661**	**-1,050**	**-813,421**
Impairment											
Balance at December 31, 2023	**-9,169**	**-15,425**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-24,594**
Impairment / recoveries on impairment	0	218	0	0	0	0	0	0	0	0	218
Impairment balance at March 31, 2024	**-9,169**	**-15,207**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-24,376**
Carrying value at March 31, 2024	**COP 134,064**	**COP 373,151**	**COP 332**	**COP 63,772**	**COP 67,103**	**COP 116**	**COP 14,852**	**COP 680**	**124,589**	**1,238**	**COP 779,897**

In 2024, a total purchase of tangible assets amounted to COP 2,848, with the most representative items being:

1. The total purchase of computer equipment was COP 1,639, with the most significant acquisition being the purchase of 122 Pin pads and 105 laptops.

2. The total purchase of fixtures and accessories was COP 634, the acquisition of 88 physical security devices COP 510, and the purchase of 27 office supplies for COP 124.

3. The addition of buildings for COP 593 corresponds to the transfer of the work in progress from the main office of the General Directorate.

4. Purchases of machinery, plant, and equipment for assembly totaled COP 130, corresponding to the adaptation and transfer of 26 works for the relocation of ATMs and offices, based on business needs.

For the first quarter, a transfer of fixed assets to the non-financial asset management team (Ganf) was made for their commercialization at a total value of COP 10,004.

1. The most notable transfer relates to communication equipment approved in minute 1722 on November 30, 2023. A decrease of 907 assets was generated, out of which 747 active assets were transferred to the Non-Financial Assets Management area (NFAM) for a value of COP 7,666, and the remaining assets were written off directly in February 2024.

2. Impairment: for the year 2024, a recovery of building impairment amounting to COP 218 has been evidenced.

	March 31, 2024		December 31, 2023	
Opening Balance (6)	COP	-24,594	COP	-30,586
Net effect on profit and loss		218		5,974
Transfer to non-current assets held for sale		0		18
Closing balance	COP	-24,376	COP	-24,594

December 31, 2023

Item	Lands	Buildings	Vehicles	Fixtures and accessories	Computers	Machinery, plant and equipment in assembly	Improvements to assets under lease	Constructions in progress	Right-to-use assets	Properties in joint operations	Total
Cost											
Balance at December 31, 2022	**COP 143,297**	**COP 619,432**	**COP 965**	**COP 247,865**	**COP 316,737**	**COP 623**	**COP 14,367**	**COP 1,481**	**COP 203,836**	**1,942**	**COP 1,550,545**
Purchases	0	465	0	11,426	33,401	1,914	0	5,146	66,109	208	118,669
Activations / additions	0	2,517	0	0	1,619	0	3,032	0	0	0	7,168
Removals	0	0	0	-11,977	-11,913	-75	0	-1	0	0	-23,966
Transfer to assets not held for sale	-64	-605	0	0	-10,393	0	0	0	0	0	-11,062
Capitalization of equipment being assembled and construction in progress	0	0	0	0	0	-1,619	0	-5,549	0	0	-7,168
Canceled contracts	0	0	0	0	0	0	0	0	-10,647	0	-10,647
Cost balance at December 31, 2023	**143,233**	**621,809**	**965**	**247,314**	**329,451**	**843**	**17,399**	**1,077**	**259,298**	**2,150**	**1,623,539**
Depreciation											
Balance at December 31, 2022	**0**	**-226,141**	**-633**	**-173,262**	**-252,879**	**0**	**0**	**0**	**-105,079**	**-753**	**-758,747**
Depreciation for the fiscal year	0	-6,531	0	-18,674	-26,330	0	-2,023	0	-30,500	-230	-84,288
Removals	0	0	0	11,977	11,421	0	0	0	0	0	23,398
Transfer to assets not held for sale	0	166	0	0	10,393	0	0	0	0	0	10,559
Canceled contracts	0	0	0	0	0	0	0	0	4,138	0	4,138
Impairment balance at December 31, 2023	**0**	**-232,506**	**-633**	**-179,959**	**-257,395**	**0**	**-2,023**	**0**	**-131,441**	**-983**	**-804,940**
Impairment											
Balance at December 31, 2022	**-9,738**	**-20,848**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-30,586**
Impairment / recoveries on impairment	569	5,423	0	0	0	0	0	0	0	0	5,992
Impairment balance at December 31, 2023	**-9,169**	**-15,425**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-24,594**
Carrying value at December 31, 2023	**COP 134,064**	**COP 373,878**	**COP 332**	**COP 67,355**	**COP 72,056**	**COP 843**	**COP 15,376**	**COP 1,077**	**COP 127,857**	**1,167**	**COP 794,005**

Depreciation - Fixed assets are depreciated using the straight line method and begin depreciating when they are in optimal conditions of use. The useful life and cost of the assets are determined through appraisal by independent experts every 36 months and the basis of depreciation is calculated by subtracting the residual value of each fixed asset (buildings) from the cost.

14. Investments in joint arrangements

Below are the details of investments in subsidiaries and joint ventures:

Investments in joint arrangements		March 31, 2024		December 31, 2023
RCI Banque Colombia S.A.	COP	166,993	COP	167,495
FAP Asobolsa - Credicorp Capital Fiduciaria S.A		78		78
Total investments in joint arrangements	COP	167,071	COP	167,573

There is a decrease of 0.30% represented by COP 502 in the investments of RCI Banque Colombia S.A.

The Group measures investments in joint arrangements as follows:

- For RCI Banque Colombia S.A., its valuation is determined using the Equity Method.
- For the Trust Fund called FAP Asobolsa, the equity variation is measured according to the monthly report provided by Credicorp Capital Fiduciaria S.A.

At the end of 2023 a business cooperation agreement was signed between BBVA Asset Management Sociedad Fiduciaria and BBVA Valores Colombia S.A. Comisionista de Bolsa, whose purpose is to join commercial efforts, based on their operating, product, strategic and commercial capabilities, in order to not only create synergies, but also achieve greater efficiency in the model of expanded offerings of products and overall customer care. As of March 31, the joint operation generated a total of COP 3,650 million.

March 31, 2024

Item	Domicile	Share Capital	Shareholdings	Shareholdings Percentage %		Carrying Value	Solvency and Market Risk Rating	Assets	Liabilities	Profits and/or Losses
Investments in joint arrangements					COP	167,071				
RCI Banque Colombia S.A.	Medellín	234,942	115,122	48.99999%		166,993	A	3,990,264	3,649,110	-28,253
FAP Asobolsa - Credicorp Capital Fiduciaria S.A	Bogotá D.C.	1,526	80	5.26%		78	A	1,492	0	-35
Total investments in joint arrangements					COP	167,071				

December 31, 2023

Item	Domicile	Share Capital	Shareholdings	Shareholdings Percentage %		Carrying Value	Solvency and Market Risk Rating	Assets	Liabilities	Profits and/or Losses
Investments in joint arrangements					COP	167,573				
RCI Banque Colombia S.A.	Medellín	234,942	115,122	48.99999%		167,495	A	4,213,192	3,871,386	5,628
FAP Asobolsa - Credicorp Capital Fiduciaria S.A	Bogotá D.C.	1,526	80	5.26%		78	A	1,491	0	-2

Total investments in joint arrangements	COP	167,573

15. Intangible assets, net

Intangible assets as of March 31, 2024, are summarized as follows:

March 31, 2024

Intangible assets, net		Licenses (2)		Developments (1) (3)		Total
Cost						
Balance at December 31, 2023	COP	48,289	COP	643,670	COP	691,959
Purchases		68		21,684		21,752
Activations / additions		0		1,772		1,772
Cost balance at March 31, 2024		**48,357**		**667,126**		**715,483**
Amortization						
Balance at December 31, 2023		-45,062		-412,052		-457,114
Depreciation for the fiscal year		-289		-15,297		-15,586
Depreciation balance as of March 31, 2024		**-45,351**		**-427,349**		**-472,700**
Impairment						
Balance at December 31, 2023		0		-25		-25
Impairment balance at March 31, 2024		**0**		**-25**		**-25**
Total intangible assets, net	**COP**	**3,006**	**COP**	**239,752**	**COP**	**242,758**

December 31, 2023

Intangible assets, net		Licenses (2)		Developments (1) (3)		Total
Cost						
Balance at December 31, 2022	COP	48,239	COP	554,956	COP	603,195
Purchases		216		106,227		106,443
Activations / additions		0		6,823		6,823
Removals		-166		-24,336		-24,502
Cost balance at December 31, 2023		**48,289**		**643,670**		**691,959**
Amortization						
Balance at December 31, 2022		-43,557		-374,720		-418,277
Depreciation for the fiscal year		-1,561		-51,691		-53,252
Removals		56		14,359		14,415

Intangible assets, net		Licenses (2)		Developments (1) (3)		Total
Depreciation balance as of March 31, 2024		**-45,062**		**-412,052**		**-457,114**
Impairment						
Balance at December 31, 2022		0		0		0
Impairment in the fiscal year		0		-12,123		-12,123
Removals		0		12,098		12,098
Impairment balance at December 31, 2023		**0**		**-25**		**-25**
Total intangible assets, net	**COP**	**3,227**	**COP**	**231,593**	**COP**	**234,820**

In 2024, total acquisitions of intangible assets amounted to COP 21,752, with the most significant being:

1. There are 237 ongoing software developments valued at COP 14,925, among the most notable are the developments associated with the CDD project valued at COP 2,631, SMD at COP 935, Data evolution at COP 777, and Horizon at COP 712.
2. One Back up license was acquired for COP 68.
3. Software additions to 103 developments valued at COP 1,515, with the most significant variations associated with: CV Update (Format 466) at COP 210 and digital payroll at COP 104.

16. Non-current assets held for sale, net

Non-current assets held for sale are mainly realizable assets received from the loan portfolio debtors, which the Bank intends to sell in the short term; there are departments, processes and programs in place for their sale, either in cash or by granting financing to potential buyers.

Below is a summary of non-current assets held for sale:

Non-current assets held for sale, net		March 31, 2024		December 31, 2023
Realizable assets				
Real estate	COP	54,223	COP	33,901
Subtotal realizable assets		54,223		33,901
Assets restituted in lease agreements				
Real estate		17,250		20,454
Vehicles		592		510
Machinery and equipment		293		293
Real estate given under residential leasing		26,027		26,549
Others		34		34
Subtotal assets restituted in lease agreements		44,196		47,840
Assets not used for the corporate purpose				

Non-current assets held for sale, net		March 31, 2024		December 31, 2023
Lands		2,433		2,521
Buildings		15,559		15,586
Furniture and fixtures		447		556
Computers		18,944		8,940
Subtotal assets not used for the corporate purpose		37,383		27,603
Trusts		7,175		7,175
Subtotal trusts		7,175		7,175
Subtotal realizable and restituted assets		142,977		116,519
Impairment of non-current assets held for sale				
Realizable assets		-1,464		-955
Assets restituted in lease agreements		-485		-564
Trusts		-3,086		-3,086
Disaffected real estate properties		768		768
Furniture and fixtures		-447		-556
Computers		-12,131		-2,156
Subtotal impairment		-16,845		-6,549
Total Non-current assets held for sale, net	COP	126,132	COP	109,970

In March 2024, a review of all non-current assets held for sale was conducted to comply with paragraph 91 (B) Disclosure requirements of IFRS 13 Fair Value Measurement.

As of March 31, 2024, the Group had 468 non-current assets held for sale valued at COP 142,977, and an impairment of COP 16,845. The most significant variation compared to December 2023 is in the category of realizable assets, which increased by COP 20,322 due to a real estate asset received, specifically the 8-story building CENTER PARKING CITY in Bogotá, received in February 2024 for COP 18,716. As of December 31, 2023, the Group had 444 non-current assets held for sale valued at COP 116,519 and an impairment of COP 6,549.

Non-current assets held for sale older than two years as of 2024 and 2023 totaled COP 75,097 and COP 78,453 respectively.

In the first three months of 2024, the Group acquired 57 assets valued at a total of COP 32,361, sold 33 non-current assets held for sale for a total of COP 6,622, resulting in a loss of COP 624.

Additionally, a transfer of disused fixed assets occurred in February 2024 involving computer equipment destined for the Non-Financial Asset Management (NFAM) area to be sold for COP 9,975.

The change in the provision for protection of non-current assets held for sale during the quarters ending on March 31, 2024, and March 31, 2023, were as follows:

Item		March 31, 2024		March 31, 2023
Balance at the beginning of year	COP	-6,549	COP	-6,677
Provision charged to expenses in the year		-10,335		-126
Transfers of fully depreciated assets		-9,866		0
Less – Withdrawal for sales and recoveries		9,905		716
Impairment Balance	**COP**	**-16,845**	**COP**	**-6,087**

17. Customer deposits

Regarding each type of deposit, the annual effective interest rates (EIR) on customer deposits were as follows:

	March 31, 2024		December 31, 2023	
	Minimum rate	Maximum rate	Minimum rate	Maximum rate
Checking Account	0.01%	0.50%	0.01%	0.60%
Certificates of Deposit	7.95%	10.69%	9.80%	12.36%

The liability portfolio of BBVA Colombia was composed as follows:

Customer deposits		March 31, 2024		December 31, 2023
Savings deposits (1)	COP	30,343,215	COP	31,248,590
Deposits in checking accounts		7,955,934		7,926,833
Liabilities due to services (2)		385,374		522,286
Special deposits		508,675		684,235
Special savings accounts		263,494		275,223
Single deposits		1,296		1,321
Canceled accounts		767		762
Banks and correspondents		634		1,439
Electronic deposits		5,868		6,810
Subtotal customer on-demand deposits		39,465,257		40,667,499
Certificates of deposit		37,167,151		36,473,868
Real value savings certificates		12,962		12,951
Subtotal customer term deposits (3)		37,180,113		36,486,819
Subtotal customer deposits	COP	76,645,370	COP	77,154,318

In the total customer deposits, there is a decrease worth COP 508,948 equivalent to 0.66% compared to December 31, 2023:

1. In the field of customer demand deposits, a lower value is evidenced in this category by COP 1,202,242 mainly due to a reduction in savings deposits with a variation of COP 905,375. This is attributed to factors such as: economic slowdown affecting customers withdrawing funds from their bank accounts; transfer of resources to entities offering better rates for this type of product, and customers' motivations to seek other alternatives for their savings.

2. There was a decrease in the liabilities due to services category primarily due to lower values in manager's checks as of March 31, 2024.

3. In the field of term customer deposits, there was an increase of COP 693,294 mainly due to a higher prevalence in term deposit certificates (CDT) with an increase of COP 693,283, which continues to mark the trend of individuals choosing to place their savings in CDTs that are attractive due to the good interest rates offered by this type of product since the Central Bank of Colombia's intervention rate remains high compared to its average over the past years. Customers withdraw funds from their savings accounts and invest them in CDTs.

18. Financial obligations

Below is a summary of financial obligations:

Financial obligations		March 31, 2024		December 31, 2023
Banco de Comercio Exterior S.A. – BANCOLDEX	COP	455,396	COP	521,765
Fondo para el Fomento del Sector Agropecuario – FINAGRO		724,548		780,016
Financiera de Desarrollo Territorial - FINDETER		641,316		688,845
Foreign Banks		2,897,511		2,740,512
Local currency financial loans		414,744		406,736
Total bank loans and other financial operations	COP	5,133,515	COP	5,137,874

For the period between December 2023 and March 2024, there is a decrease mainly due to the credits with Bancoldex, Finagro, and Findeter.

Currently, we have:

- A subordinated financial loan acquired in 2018, with a term of 7 years between BBVA Colombia and the International Finance Corporation (IFC), aimed at generating a disbursement of USD 150,000,000 which will be allocated by the Bank to boost the housing sector.
- An AT1 credit with BBVA Madrid for COP 822,878, of which, as of the closing of March 2024, a coupon of COP 145,273 has been accrued. On April 1, 2024, COP 97,570 is paid corresponding to the first coupon and COP 47,702 accrued in the first quarter of 2024.

As of the first quarter of 2024, the monitoring of the Covenants is as follows:

- There are no Covenants in the operations of loans taken with foreign banks.

- BBVA has Covenants in its subordinated TIER1 financing with BBVA Madrid and in the bilateral financings with IFC and the Blue Bond, as of the end of March, there have been no breaches in any of the covenants. The most important aspect is the loss absorption conditions for TIER 1, which are triggered if the individual basic solvency falls below 5.125%. As of March 2024, the basic solvency stands at 7.81%, indicating compliance has been met.

Below is the detailed information of the passive portfolio, regarding the credits with correspondent banks, which is not linked to any type of coverage and/or reciprocity agreement.

**Information in millions of USD*

		March 31, 2024			December 31, 2023			
Foreign Banks		USD		COP	USD			COP
Caixa Bank S.A.		0		0		10		40,339
Bank of America NA		15		58,004		0		0
Bladex Panamá		10		39,487		10		38,463
IFC		300		1,170,832		300		1,142,973
BBVA Madrid		150		1,582,896		150		1,518,737
Wells Fargo Bank NA		12		46,292		0		0
Total	USD	487	COP	2,897,511	USD	470	COP	2,740,512

19. Outstanding investment securities

Here is a summary of the outstanding investment securities:

Outstanding investment securities		March 31, 2024		December 31, 2023
Subordinated Bonds	COP	2,076,187	COP	2,070,874
Ordinary Bonds		452,462		448,458
Total Outstanding Investment Securities	COP	2,528,649	COP	2,519,332

A summary of the issuances and bonds is shown in the table below:

Issuance	Authorized Amount	Term in Years	Rate	Coupon	Issuance Amount	Issuance Date	Maturity Date
Subordinated 2011	3,000,000	15	IPC + 4.70%	TV	156,000	September 19, 2011	September 19, 2026
Subordinated 2013		15	IPC + 3.89%	TV	165,000	February 19, 2013	February 19, 2028
Subordinated 2014		15	IPC + 4.38%	TV	90,000	November 26, 2014	November 26, 2029
Subordinated 2014		20	IPC + 4.50%	TV	160,000	November 26, 2014	November 26, 2034
Subordinated USD 2015	500	10	0	SV	400	April 21, 2015	April 21, 2025

Ordinary USD 2023	150	5	SOFR (6 months) + 1.85%	SV	50	September 22, 2023	September 22, 2028
Ordinary USD 2023		5	SOFR (6 months) + 1.85%	SV	17	October 25, 2023	September 22, 2028
Ordinary USD 2023		5	SOFR (6 months) + 1.85%	SV	50	October 27, 2023	September 22, 2028
Total Bonds in Colombian Pesos	3,000,000				571,000		
Total Bonds USD	650				517		

The second issuance of Series G subordinated bonds from 2009 for COP 165,000 occurred on February 19, 2013, with a term of 15 years, offering a maximum variable rate yield of CPI + 3.89% for 15 years.

The third issuance of Series G - 2014 subordinated bonds amounting to COP 250,000 was made on November 26, 2014 with a redemption term between 15 and 20 years, with yield of maximum variable rate of CPI + 4.38% for 15 years, and of CPI + 4.50% for 20 years.

The first issuance of subordinated bonds for USD 400 was on April 21, 2015, with a redemption period of 10 years, offering fixed-rate yields of 4.875%.

The first issuance of Ordinary Bonds in USD occurred on September 22, 2023, for USD 50 million with a term of 5 years, yielding an interest rate of SOFR (6 months) + 1.85%.

The second issuance of Ordinary Bonds in USD occurred on October 25, 2023, for USD 17 million with a term of 5 years, yielding an interest rate of SOFR (6 months) + 1.85%.

The third issuance of Ordinary Bonds in USD occurred on October 27, 2023, for USD 50 million with a term of 5 years, yielding an interest rate of SOFR (6 months) + 1.85%.

20. Accounts Payable

Here is a summary of the accounts payable:

Accounts Payable	March 31, 2024		December 31, 2023	
Commissions and fees	COP	3,474	COP	4,088
Costs and expenses payable		488		414
Dividends and surplus (1)		124,630		81,998
Leases		70		78
Intended purchasers (2)		10,117		18,499
Accounts Payable and Accrued Expenses (3)		110,657		128,619
Securitization process		94		0
Colpensiones (Pension Fund)		4,022		6,712
Family compensation fund, ICBF, and SENA (4)		2,869		0
Fogafin deposit insurance (5)		128,252		123,650

Miscellaneous (6)		438,362		386,330
Other taxes (7)		188,486		270,706
Total accounts payable	COP	1,011,521	COP	1,021,094

1. As of March 31, 2024, the dividends payable account shows a balance of COP 42,632. At the general meeting of shareholders held on March 22, 2024, COP 3,598 is established for the appropriation of untaxed net profits for the payment of preferred stock dividends, at a rate of COP 7.5 per share, payable on June 12, 2024, equivalent to 1.84% of the result at the disposal of the General Meeting Of Shareholders.

2. There is a significant variation in the account for prospective buyers as of March 31, 2024, mainly due to the legalization of sales of non-current assets held for sale, involving 33 assets valued at COP 6,622.

3. The accounts payable balance shows a decrease of COP 17,962 compared to December 31, 2023, mainly due to the execution of lease transactions amounting to COP 14,462.

4. There is an increase of COP 2,869 in the accounts for family compensation funds, ICBF, and SENA, corresponding to the balance payable for March.

5. Regarding the provision of the deposit insurance premium by FOGAFIN, it shows a balance of COP 128,252 corresponding to the accrued amount in the fourth quarter of 2023 and first quarter of 2024. The payment will be made in April and June 2024, respectively.

6. In the miscellaneous accounts, there is an increase of COP 52,032 primarily due to the liquidation of forward contracts worth COP 41,587.

7. In Other taxes, there is a decrease of COP 82,220 compared to December 2023, which mainly corresponds to the payment of Industry and Commerce taxes, GMF, and withholding tax.

21. Employee benefits

Below is a summary of employee benefits:

Employee benefits		March 31, 2024		December 31, 2023
Severance and severance interest	COP	9,737	COP	27,113
Vacations		53,555		37,807
Mandatory and extra-legal bonuses		31,569		0
Variable remuneration incentives		59,430		104,120
Social security		12,676		23,416
Other granted benefits		31,615		27,314
Subtotal Short-Term Benefits (1)	COP	198,582	COP	219,770
Retirement and Seniority Premium		69,055		66,953
Subtotal Long-Term Benefits (2)	COP	69,055	COP	66,953
Pension obligations		59,115		58,179
Subtotal post-employment benefits	COP	59,115	COP	58,179
Total employee benefits	COP	326,752	COP	344,902

The BBVA Group offers its employees short-term benefits classified as those granted under the modality of compliance with global and specific indicators of each business unit.

The performance of these indicators measures ratios of financial characteristics, highlighting an improvement in efficiency, resulting from cost discipline implemented in all areas of the Group through various optimization plans, as well as the materialization of certain synergies.

In addition, the Group monitors non-financial indicators that show a favorable trend, aligning with the expectations set at the Group level, highlighting the increase in the base of digital and mobile customers, who are boosting digital sales for BBVA.

1. The increase in liabilities for labor obligations is mainly due to the monthly provision made for legal and extralegal premiums amounting to COP 31,569. On the other hand, there is a decrease due to the variable remuneration incentives amounting to COP 44,690 corresponding to the CIB (Corporate and Investment Banking) and EDI (Individual Performance Evaluation) incentives.

2. Long-term benefits refer to the recognition in days of salary that the Group grants to its employees as a seniority bonus, for all employees with indefinite contracts who complete five-year periods of service in the Entity. The estimated amount of said obligation for BBVA Colombia is based on actuarial studies calculations performed annually on the group of active employees; in this sense, the estimated obligation for BBVA Colombia for this concept as of March 31, 2024, increases by COP 2,102.

22. Estimated Liabilities and Provisions

The Group records provision liabilities based on the opinion of experts from the Legal, Labor Relations and Tax Consultancy areas, who rate each case in accordance with the status of the legal process. In addition, decision trees developed in accordance with the type of contingency (legal, labor and tax) are applied for classification in the following criteria to create the provision:

- Probable obligation: recognized and disclosed.
- Possible obligation: disclosed
- Remote obligation: Neither recognized nor disclosed.

As of March 31, 2024, the balance of this account is summarized as follows:

Estimated Liabilities and Provisions		March 31, 2024		December 31, 2023
Fines and penalties other administrative authorities(1)	COP	200	COP	200
Labor lawsuits (2)		10,697		10,710
Lawsuits due to breach of contracts (3)		48,537		47,837
Other Provisions (4)		325,823		200,672
Total accrued liabilities and provisions	COP	385,257	COP	259,419

As of March 31, 2024, the Group is involved in 1,120 legal proceedings of civil, criminal, tax, and labor nature arising from the normal course of its activities and business. The aforementioned processes have a claim value of COP 1,301,780 and provisions established amounting to COP 59,434.

1. The Group is addressing through administrative channels, before the contentious administrative jurisdiction, 16 tax proceedings with estimated claims worth COP 1,425, and provisions recognized at March 31, 2024 in the amount of COP 200, associated with 5 proceedings rated as probable. The provisions correspond to the class action proceedings for withholding tax on financial transactions, regional taxes, public lighting, untimely provision of information and tax collection proceedings.

2. Regarding labor processes, the Group reports a total of 88 cases, with a total claim amount of COP 15,685, of which 48 processes are provisioned for COP 10,647 with a probable rating and 1 process for COP 50 with a possible rating. Likewise, the COP 399 variation corresponds to income and increases in provisions of COP 1,155, process payments of COP 1,100, and processes settled in favor of the Group for COP 67. Claims mainly pertain to payment of pension contributions, reinstatement, salaries, and compensation for alleged unfair dismissals, among others.

   According to the Group's legal advisors, it is considered that the result will be in favor of the entity and that there will be no significant losses.

3. Civil processes total 1,013 cases, with estimated claims valued at COP 459,089. As of March 31, 2024, provisions have been established for COP 48,537 corresponding to 17 processes considered probable. Likewise, the variation of COP 700 corresponds to income and increases in provisions by COP 836, payments for processes by COP 109, and processes concluded in favor of the Group by COP 26.

Additionally, the Group reports 3 criminal cases with total claims of COP 284, which, classified as remote, have not necessitated a provision.

4. For the period between March 31, 2024, and December 2023, there is an increase of COP 130,870 in the item of other provisions in the estimated expenses account payable for general expenses, personal expenses, and commissions; among which the most significant are:

   a. Increase in provisions for payment to suppliers by COP 124,697 and provisions for personnel expenses by COP 1,005.

   b. Decrease in the provisions for commissions for cardholders' electronic services and credit card (ACH, CENIT, SOI, and PSE, Banking support) by COP 4,344.

In the opinion of Management, after consulting with its internal and external legal advisors, these proceedings would not reasonably have an adverse material effect on the Group's financial condition or on the results of its operations and they are adequately rated and provisioned.

The movements of estimated liabilities were as follows:

March 31, 2024

Item		Legal proceedings		Others		Total
Opening balance as of January 1, 2024	COP	58,747	COP	200,672	**COP**	**259,419**
Increase		1,113		130,869		131,982
Income		876		0		876
Payment		-1,209		-5,718		-6,927

Removal		-93		0	-93
Closing balance at March 31, 2024	**COP**	**59,434**	**COP**	**325,823**	**COP 385,257**

December 31, 2023

Item		Legal proceedings		Others	Total
Opening balance as of January 1, 2023	COP	69,433	COP	260,568	COP **330,001**
Increase		7,536		7,829	15,365
Income		5,691		0	5,691
Payment		-3,792		-67,725	-71,517
Removal		-20,121		0	-20,121
Closing balance at December 31, 2023	**COP**	**58,747**	**COP**	**200,672**	**COP 259,419**

23. Share capital

The Group's subscribed and paid-in capital is divided into ordinary shares and non-voting preferential dividend shares. The latter may not represent more than 50% of subscribed capital. As of March 31, 2024, and December 31, 2023, 13,907,929,071 ordinary shares and 479,760,000 preferred shares were subscribed and paid, with a nominal value of COP 6.24, for a total subscribed and paid-in capital of COP 89,779.

24. Reserves

The following is a summary of the reserves:

Reserves		March 31, 2024		December 31, 2023
Legal reserve	COP	4,559,327	COP	4,559,327
Occasional reserves:				
Available to the Board of Directors		0		1
To protect investments		0		532
Development of corporate social responsibility initiatives		1,947		0
AT1 coupon payment protection		180,000		0
Dividend stability		9,676		0
Total reserves	COP	4,750,950	COP	4,559,860

The increase in contingent reserves amounting to COP 191,090 corresponds to what was approved at the General Meeting of Shareholders of the Bank held on March 22, 2024, for the appropriation of net profits as follows:

- Release of the reserve at the disposal of the board of directors and for the protection of investments totaling COP 533.

- Protection of the AT1 coupon payment equivalent to 92.20% of the total available to the meeting for COP 180,000.
- Stability of the dividend equivalent to 4.96% of the total available to the meeting for COP 9,676.
- Development of Corporate Social Responsibility actions equivalent to 1% of the total net profit for COP 1,947.

In 2023, the General Meeting of Shareholders decreed an allocation for the establishment of the Legal Reserve on the net profit for the fiscal year 2022 of 50.0022%.

25. Dividends

At the General Meeting of Shareholders of the Bank held on March 22, 2024, the following distribution of dividends on the net profit for the fiscal year was decreed. The distribution of the dividends that was approved was as follows:

Profit Distribution Project	%		December 31, 2023
By appropriating net income to increase the Occasional Reserve for AT1 coupon payment protection.	92.20%		180,000
By appropriating net income to increase the Occasional Reserve for dividend stability.	4.96%		9,676
By appropriating non-taxed net income for the payment of dividends on preferred shares, at a rate of COP 7.5 per share, payable on June 12, 2024.	1.84%		3,598
By appropriating net income to increase the Occasional Reserve for the Development of Corporate Social Responsibility Actions.	1.00%		1,947
Profit for 2023	100%	COP	195,221

Dividend payments (not taxed at the shareholders' level) will be made between the first business day available for dividend payments for the respective shares and the four business days immediately preceding the date. Transactions on shares that occur within the ex-dividend period do not include the right to receive the corresponding dividends.

The said obligation was recognized during the first quarter of the current year, as evidenced in the accounts payable item of the Condensed Interim Consolidated Financial Statements as of March 31, 2024.

Here are the dates approved and presented to the General Meeting of Shareholders:

Date
June 12, 2024

26. (Loss) Basic earnings per ordinary and preferred share (COP)

Below is the summary of basic loss and earnings per ordinary and preference share:

(Loss) Basic earnings per ordinary and preferred share (COP)		For the three-month periods ending on: March 31, 2024		March 31, 2023
(Loss) Net income for the period	COP	-135,297	COP	97,666
(Loss) Net income attributable to controlling interests		-135,297		97,666
Ordinary and preferred shares used in the calculation of basic earnings per share (ordinary and preferred)		14,387		14,387
(Loss) Total net income per ordinary and preferred share in Colombian pesos	COP	-9.40		6.79

The BBVA Group has a simple capital structure, therefore there is no difference between basic earnings per share and diluted earnings per share. The capital is divided into ordinary shares and non-voting preferential dividend shares. The latter may not represent more than 50% of subscribed capital.

As of March 31, 2024, the following had been subscribed and paid: 13,907,929,071 ordinary shares and 479,760,000 preferred shares for a total of 14,387,689,071 shares outstanding; with a net loss per common and preferred share of 9.40 Colombian pesos each.

As of March 31, 2023, the following had been subscribed and paid: 13,907,929,071 ordinary shares and 479,760,000 preferred shares, totaling 14,387,689,071 shares outstanding; with a net income per ordinary and preferred share of 6.79 Colombian pesos each.

27. Interest and valuation income

The following is a summary of net fee income:

Interest and valuation income		For the three-month periods ending on: March 31, 2024		March 31, 2023
Loan portfolio and financial lease transactions				
Commercial	COP	910,900	COP	829,949
Consumer		839,862		730,243
Credit Card		256,301		213,022
Mortgage		256,702		232,478
Factoring transactions		43,791		43,476
Financial leases		76,074		72,098
Operating Leases		100,356		96,947
Total loan portfolio and finance lease transactions (1)	COP	2,483,986	COP	2,218,213
Valuation of financial instruments, net				
Securities				
Money market transactions		-16,486		-134,516

Investments at fair value		129,000		262,002
Investments at amortized cost		144,690		157,274
Subtotal securities		257,204		284,760
Derivatives		-22,223		126,775
Subtotal derivatives		-22,223		126,775
Total valuation of financial instruments, net (2)	COP	234,981	COP	411,535
Total interest and valuation income	COP	2,718,967	COP	2,629,748

1. At the end of the first quarter of 2024, the income from credit portfolio and finance lease transactions shows an increase of 10.70% compared to March 2023, amounting to COP 265,773, mainly represented in the consumer portfolio with a value of COP 109,619, commercial with a value of COP 80,951, credit card with a value of COP 43,279, and residential with a value of COP 24,224.

   The increase in the consumer portfolio corresponds to the payroll product, which has been driven as a business strategy of the Bank; additionally, there is an increase in the placement rates of the portfolio loans in all products.

2. Regarding the valuation of financial instruments, there has been a decrease compared to the same period in 2023, which stands at 75.51% in all its categories, amounting to COP 177,056, mainly due to concepts such as:

   a. Money market transactions, in interbank funds and subordinated bonds for COP 49,466, valuation of short position repo, simultaneous, TTV, and spot transactions for COP 54,884.

   b. Settlement and valuation of trading derivatives for COP 149,500

28. Interest and valuation expenses

Here is a summary of expenses by income and valuations:

		For the three-month periods ending on:		
Interest and valuation expenses		**March 31, 2024**		**March 31, 2023**
Customer deposits				
Savings accounts	COP	-520,843	COP	-481,892
Certificates of deposit		-1,111,934		-975,369
Other interest expenses		-199		-499
Subtotal of customer deposits (1)		-1,632,976		-1,457,760
Financial obligations				
Bank credits and financial obligations		-155,465		-116,924

Subtotal of financial obligations (2)		-155,465		-116,924
Total interest and valuation expenses	**COP**	**-1,788,441**	**COP**	**-1,574,684**

1. At the end of the first quarter of 2024, customer deposits showed a growth of 12.02% compared to March 2023, totaling COP 175,216, detailed in:

    a. Interest generated by savings accounts in December 2023 resulted in higher expenses of COP 38,951, primarily for the Ganadiario product used by non-financial corporations and public administrations.

    b. The line item for term deposit certificates (CDTs) shows an increase of COP 136,565, related to the strategies in issuing deposits for non-financial corporations and individuals, with terms exceeding 12 months.

2. At the close of March 2024, the expenses for interest on financial obligations category show an increase of COP 38,541 compared to the previous year, mainly due to the accrual of the AT1 subordinated debt coupon amounting to COP 47,703 and the decrease in interest on loans from the International Finance Corporation (IFC) and BBVA Madrid by COP 9,162.

Additionally, this rise in interest is tied to new loan portfolio placements across all products and the increase in the intervention rate of the Central Bank of Colombia, which closed at 13% as of December 31, 2023, compared to the same period of the previous year, which closed at 12%.

29. Fee revenues, net

The following is a summary of net fee income:

		For the three-month periods ending on:		
Net fee revenues		**March 31, 2024**		**March 31, 2023**
Letters of credit	COP	1,329	COP	771
Endorsements		8		4
Bank guarantees		6,003		9,783
Banking services		20,023		21,309
Card affiliated establishments		55,481		45,622
Office network service		36,211		35,609
For fund transfers		1,555		1,730
Credit card handling fees		31,679		29,125
Debit card handling fees		11,228		12,008
Derivative products		64		108
Others		111,811		81,834
Subtotal fee revenues	COP	275,392	COP	237,903

Banking services		5,077		4,850
Others		154,385		115,502
Subtotal fee expenses	COP	159,462	COP	120,352
Total income from commissions, net	COP	115,930	COP	117,551

Between the first quarter of 2024 and 2023, the BBVA Group shows an increase in commission income amounting to COP 37,489. The most relevant items are business handling fees for COP 2,554, office network service for COP 602, affiliated card establishments for COP 9,859, and others totaling COP 29,997 for concepts such as PSE commissions, credit limit letter issuance fees, and ACH transactions.

Fee expenses increased by COP 39,110, primarily attributed to other commission expenses such as: data processing for COP 13,016, franchises for COP 2,292, network services for COP 2,499, and the placement of payroll and consumer loans for COP 9,701.

30. Other operating expenses

Here is a summary of the operating income and expenses:

	For the three-month periods ending on:			
Other operating expenses		March 31, 2024		March 31, 2023
Other operating revenues				
Disposals (1)	COP	68,176	COP	96,792
Net exchange difference (2)		117,693		-87,656
Dividends (3)		15,041		11,533
Leases		608		671
Other - Miscellaneous (4)		24,080		47,719
Recovery of operational risk		943		2,516
Activities in joint operations		3,996		924
Subtotal other operating revenues		**230,537**		**72,499**
Income by the equity method				
Joint arrangements (5)		-502		7,473
Subtotal of income by the equity method		**-502**		**7,473**
Other operating expenses				
Disposals		-77,889		-85,011
Employee benefits (6)		-261,244		-234,690
Fees		-14,576		-8,867
Depreciation and amortization		-36,976		-33,012

Other operating expenses	For the three-month periods ending on: March 31, 2024	March 31, 2023
Taxes and duties (7)	-85,619	-61,648
Net leases	-1,907	-1,887
Insurance (8)	-74,747	-59,594
Contributions, affiliations and transfers	-7,933	-6,282
Maintenance, adjustments, and repairs (9)	-46,271	-35,305
Fines and penalties, litigation, indemnities, and lawsuits	-2,037	-7,292
Miscellaneous (10)	-228,911	-195,931
Loss events	-2,373	-4,311
Activities in joint operations	-4,392	-757
Legal expenses	-5	-4
Management and brokerage services and systems	-616	-589
Subtotal of other operating expenses	**-845,496**	**-735,180**
Total other operating expenses	COP -615,461	COP -655,208

At the end of the first quarter of 2024, other operating incomes showed an increase of COP 158,038, equivalent to 218% compared to the previous year; the most significant contributors to this increase were:

1. A total decrease of COP 28,616 in sales of investments was noted, primarily represented by reduced income of COP 27,784 from the sale of financial instruments: treasury securities (TES) and debt instruments with maturities classified as measured at fair value which therefore affect the period's result.

2. Exchange differences increased by 234.3% compared to the previous year, showing an increase of COP 205,349 mainly due to the net exchange difference resulting from the purchase and sale of currencies due to rate fluctuations; for 2023, it resulted in a loss characterized by an increase in foreign currency liabilities.

3. This relates to the project for distributing dividends from the profits of the year 2023 amounting to COP 15,041 from other equity investments held by the Bank.

4. At the close of the first quarter of 2024, other miscellaneous income decreased by COP 23,639 compared to 2023, primarily due to the payment of the FOGAFIN Deposit Insurance made in March 2023, which will be made in the second quarter of 2024.

5. The investment in RCI Banque Colombia S.A. incurs a revaluation expense, as the entity records a loss for the fiscal year ending March 2024. This is due to the increased impairment of the portfolio resulting from the high inflation economic context and deteriorating ability of customers to meet their payment obligations.

6. There is an increase in the Employee Benefits line compared to the previous year by COP 26,554, mainly due to wages and salaries by COP 7,043, severance payments by COP 8,377, social security contributions by COP 3,275, and other benefits by COP 3,383.

7. There was an increase in the taxes and fees item by COP 23,971, within which the expenses for Industry and Commerce Tax, GMF, and Property Tax stood out.

8. Insurance increased by 25.43%, mainly due to higher expenses on deposit insurance.

9. Within the maintenance line, the most representative concepts arose from the increase in office and ATM maintenance and adjustments by COP 6,000, corporate software maintenance by COP 2,716, and preventive measures to avoid fraud by COP 2,250.

10. In the category of other miscellaneous expenses, there was an increase of COP 32,980 where expenses for rental, support, and call center services for applications, tools, and software projects of the bank stood out, incurred to improve internal operational processes and customer service.

31. Total Income Tax Expense

Income tax expense is recognized based on management's best estimate of both current income tax and deferred income tax.

The effective tax rate for ongoing operations for the three-month period ended on March 31, 2024, was 32.87%, and for the same three-month period ended in 2023, it was 40.59%.

Item		March 31, 2024		March 31, 2023		Variation
(Loss) Profit before taxes**	COP	-202,392	COP	163,425	COP	-365,817
Income tax on earnings and complementary income		-8,055		-6,216		-1,839
Deferred Tax Liabilities for Income Taxes		74,583		-60,116		134,699
Total Recovery (Expense) for income tax	COP	66,528	COP	-66,332	COP	132,860
Effective quarterly rate		**-32.87%**		**-40.59%**		**-36.32%**

**Includes non-controlling interests

The decrease in the tax rate of 7.72% is due to the following factors:

- At the end of March 2024, the Bank reports both accounting and tax losses, therefore not settling the current tax but recognizing a deferred tax asset recovery.

- At the end of March, the applicable income tax rate for the three entities of the Group for both 2024 and the immediately preceding year is 35% plus five (5) additional points, a rate established in Law 2277 of 2022 for financial entities. However, the Bank, due to financial and tax losses, does not settle this rate, while the Securities and Trust companies apply the comprehensive rate of 40%.

32. Related Parties

Related party details as of March 31, 2024

		Joint Ventures			Other companies of the BBVA Group that are not subsidiaries of BBVA Colombia			
Item	**Shareholders with Over 10% of Shares**	**RCI COLOMBIA**	**Board Members**	**Registered Agents and Key Management Personnel**	**BBVA Seguros**	**BBVA Seguros de Vida**	**Other Domestic Related Parties**	**Other Related Parties Abroad**
Assets								
Cash (Banks and other financial entities)	83,426	0	0	0	0	0	0	8,226
Investments	0	182,070	0	0	0	0	0	0
Derivatives and spot transactions	5,959,553	0	0	0	0	0	0	35,752
Loan portfolio and interest	0	893,080	227	1,426	7	36	53	0
Accounts Receivable (c)	18,855	6,568	0	0	0	0	0	546
Deposits as collateral	852,642	0	0	0	0	0	0	27,088
Non-current assets held for sale	0	0	0	0	0	0	14,349	0
Total	COP 6,914,476	COP 1,081,718	COP 227	COP 1,426	COP 7	COP 36	COP 14,402	COP 71,612
Liabilities:								
Deposits (savings and checking accounts)	0	155,991	153	2,659	104,811	201,632	12,267	0
Derivatives and spot transactions	6,291,236	0	0	0	0	0	0	66,323
Outstanding Investment Securities	0	0	0	0	0	35,371	0	0
Accounts Payable (d)	1,663,368	0	0	0	0	0	15	706
Total	COP **7,954,604**	COP **155,991**	COP **153**	COP **2,659**	COP **104,811**	COP **237,003**	COP **12,282**	COP **67,029**

		Joint Ventures			Other companies of the BBVA Group that are not subsidiaries of BBVA Colombia			
Item	**Shareholders with Over 10% of Shares**	**RCI COLOMBIA**	**Board Members**	**Registered Agents and Key Management Personnel**	**BBVA Seguros**	**BBVA Seguros de Vida**	**Other Domestic Related Parties**	**Other Related Parties Abroad**
Revenue:								
Interest and valuation income	6,987	12,214	12	104	0	0	0	61
Fees	1,656	425	1	4	7,468	27,313	12	938
Leases	0	0	0	0	3	13	314	0
Total	COP 8,643	COP 12,639	COP 13	COP 108	COP 7,471	COP 27,326	COP 326	COP 999
Expenses:								
Deposit Interests	3,765	4,840	6	95	1,974	4,348	45	0
Fees	62,379	0	0	3	0	0	38,028	2,607
Loss from equity method	0	1,238	0	0	0	0	0	0
Employee benefits	0	0	0	3	0	0	0	0
Insurance	0	0	0	0	146	2,349	0	0
Advisory and consultancy fees	0	0	100	0	0	0	144	0
Other Operating Expenses	1,156	0	0	0	0	0	338	30,197
Other expenses	0	0	0	138	0	0	0	0
Total	COP 67,300	COP 6,078	COP **106**	COP **239**	COP **2,120**	COP **6,697**	COP **38,555**	COP **32,804**
Contingent commitments and obligations	248,566	0	0	0	0	0	0	63,573
Call and put purchase commitments	73,180	0	0	0	0	0	0	899,159

a. BBVA Madrid is recognized as a shareholder with a stake exceeding 10%.

b. Transactions carried out with companies that are part of the BBVA Group but do not have ownership in the Bank, for comparative purposes, are recognized as other related parties (domestic Financial Services Distributor, Trust Lot 6.1 Zaragoza, Horizons Villa Campestre Trust and foreign entities such as BBVA Argentina S.A. Bank, BBVA Peru SA Bank, BBVA (SWITZERLAND) SA, BBVA Axial Tech SA de CV, BBVA Mexico SA, BBVA Securities Inc.

c. As of March 31, 2024, dividends receivable are recognized from BBVA Asset Management S.A. Trust Company for an amount of COP 32,862 and from BBVA Valores Colombia S.A. Stockbroker for COP 4,378.

d. As of March 31, 2024, the Bank reports financial liabilities with BBVA Madrid amounting to COP 614,745. Additionally, in June 2023, the Bank acquired an AT1 credit with BBVA Madrid for a value of COP 822,878, of which COP 145,273 has been recognized for interest purposes.

e. The concept of other operating expenses corresponds to corporate application services such as billing for SLA banking with BBVA SA, as well as expenses for Technological Infrastructure, support, and maintenance of the same carried out with BBVA AXIAL TECH SA DE CV.

Related party details as of December 31, 2023

		Joint Ventures			Other companies of the BBVA Group that are not subsidiaries of BBVA Colombia			
Item	Shareholders with Over 10% of Shares	RCI COLOMBIA	Board Members	Registered Agents and Key Management Personnel	BBVA Seguros	BBVA Seguros de Vida	Other Domestic Related Parties	Other Related Parties Abroad
Assets								
Cash (Banks and other financial entities)	92,004	0	0	0	0	0	0	6,898
Investments	0	182,633	0	0	0	0	0	0
Derivatives and spot transactions	8,357,605	0	0	0	0	0	0	86,645
Loan portfolio and interest	0	893,001	233	3,927	3	23	63	0
Accounts receivable	14,306	5,910	0	0	0	0	0	521
Deposits as collateral	235,851	0	0	0	0	0	0	0
Prepaid expenses	0	0	0	0	3,247	0	0	0
Non-current assets held for sale	0	0	0	0	0	0	14,349	0
Total	COP 8,699,766 COP	COP 1,081,544	233	COP 3,927	COP 3,250	COP 23	COP 14,412	COP 94,064
Liabilities:								

		Joint Ventures			Other companies of the BBVA Group that are not subsidiaries of BBVA Colombia			
Item	Shareholders with Over 10% of Shares	RCI COLOMBIA	Board Members	Registered Agents and Key Management Personnel	BBVA Seguros	BBVA Seguros de Vida	Other Domestic Related Parties	Other Related Parties Abroad
Deposits (savings and checking accounts)	0	127,979	200	2,563	80,750	167,052	20,000	0
Derivatives and spot transactions	8,503,207	0	0	0	0	0	0	82,738
Outstanding Investment Securities	0	0	0	0	0	39,580	0	0
Margin call	165,443	0	0	0	0	0	0	6,230
Accounts Payable	744,595	0	0	0	906	0	6,576	981
Total	COP 9,413,245	COP 127,979	COP 200	COP 2,563	COP 81,656	COP 206,632	COP 26,576	COP 89,949
Revenue:								
Interest and valuation income	31,305	121,727	71	467	0	0	3	1,485
Fees	618	718	2	24	33,771	105,711	23	2,829
Income by the equity method	0	2,748	0	0	0	0	0	0
Leases	0	0	0	0	19	0	1,223	0
Total	COP 31,923	COP 125,193	COP 73	COP 491	COP 33,790	COP 105,711	COP 1,249	COP 4,314
Expenses:								
Deposit Interests	5,574	14,657	38	346	6,015	14,905	138	0
Fees	154,355	0	0	32	0	0	158,995	13,152
Employee benefits	0	0	0	13	0	0	0	0
Insurance	0	0	0	0	7,393	5,627	0	0
Advisory and consultancy fees	0	0	0	1	0	0	0	0
Other operating expenses	4,445	0	0	0	0	0	3,989	94,765
Other expenses	0	0	35	670	0	0	0	0
Total	COP 164,374	COP 14,657	COP 73	COP 1,062	COP 13,408	COP 20,532	COP 163,122	COP 107,917
Contingent commitments and obligations	232,318	0	0	0	0	0	0	102,481
Call and put purchase commitments	0	0	0	0	0	0	0	1,341,396

33. Other Matters of Interest

(A) Adjustment to Results of First Time Adoption - OSFP

The Bank reviewed the historical adjustments of the OSFP, in order to establish the required mechanisms and methodologies to ensure the constant updating of the impact produced by the first-time adoption, carried out on January 1, 2014, on retained earnings, following the accounting principles and policies accepted in Colombia.

Scrubbing carried out during the first quarter of the year 2024 and December 31, 2023

The Bank identified the following items that were subject to adjustments:

Item		Accumulated as of March 31, 2024		March 31, 2024		December 31, 2023
Recovery of the revaluation of assets in sale of properties	COP	16,298	COP	0	COP	16,298
Recovery of valuation of Almaagrario in sale in March 2015		18,685		0		18,685
Recovery of non-existent provisions and contingencies		122		0		122
Recovery of provisions and depreciations for non-effectiveness and ANMV		4,823		0		4,823
Impact of deferred tax on PP&E		-5,542		15,135		-20,677
Total Cleansed	COP	34,386	COP	15,135	COP	19,251

34. Subsequent events

From the closure of these Condensed Interim Consolidated Financial Statements on March 31, 2024, to May 15, 2024, there were no significant subsequent events requiring disclosure.

35. Ongoing Business

Company's Recent Situation

In order to conclude on the continuity of the business, the Group's recent situation will be analyzed so that its financial situation can be demonstrated.

When analyzing the consolidated balance sheet as of March 2024, it is found that Total Assets decreased by 3.41% (-COP 3,615,064), mainly explained by a variation of -COP 3,168,113 in cash, -COP 2,591,326 in derivative financial instruments and spot transactions, partially offset by Investments +COP 1,225,967.

On the other hand, liabilities experienced a decrease of 3.57% or (-COP 3,546,143), with financial instruments at fair value showing the highest variation (-COP 2,597,383), mainly explained by trading derivative financial instrument operations (-27.17%).

The bank's interest margin showed an increase of 8.08% compared to March 2023, primarily due to an increase in interest income. Meanwhile, operating expenses recorded an increase of 39.54% compared to the same period in 2023, with general expenses, personnel, and taxes showing the most significant increases.

Lastly, the Group's net income for the first quarter of 2024 decreased by 239.93% compared to the same period of 2023, ending with a result of -COP 135,864.

Projected Financial Information

Also, upon reviewing the group's projections, it was found that in its current Financial Planning, profits over the next twelve months are estimated to exceed COP 96.735 billion, and portfolio growth to exceed 10.1% based on the strategic plan and the country's favorable macroeconomic conditions, which will allow for a year of significant growth.

In this regard, bearing in mind both the situation in the recent past, as well as what is expected in the near future, it can be said that the Group has an adequate financial structure, which will allow it to carry on with its operation in a profitable manner, besides obtaining the necessary funds to comply with its short and medium-term obligations; due to the proper management of the accounts of the Statement of Financial Position and Statement of Income.

Performance Measures and Indicators 2024 and 2023

The following are the financial yields and indicators defined by Decree 854/2021 as the minimums to assess business continuity. In this case, the results for the 2023 and 2024 periods are provided, in order to assess the financial management carried out and thus assess whether the going concern assumption is appropriate:

Indicator	March 31, 2023	March 31, 2024	Formula	Income
Negative equity position:	6,403,941	6,505,026	Total equity <COP 0	Total equity >COP 0
Consecutive losses in two closing periods or several monthly periods, depending on the business model	97,093	-135,297	Statement of income < 0) and (Statement of income for the preceding year < 0)	(Statement of Income March 2024 > 0) and (Statement of Income March 2023 > 0)
Net working capital over short-term debt:	0.03	0.06	(Trade Accounts Receivable Customers + Current Inventory - Trade Accounts Payable) / Current Liabilities (<0.5)	Income < 0.5
UAII / Total Assets < Liabilities	0.17%	0.20%	(Earnings Before Interest and Taxes / Total Assets) < Total Liabilities	Income > -1

The proper management carried out in BBVA Group allows it to develop its operations while maintaining good equity and solvency quality indicators.

It is therefore concluded that there is no material uncertainty related to events or conditions that would give rise to significant doubts on the Group's capacity to continue as a going concern.

36. Significant Events

Below is the detailed significant event in the Consolidated Interim Condensed Financial Statements as of March 31, 2024.

- The Board of Directors of BBVA Colombia approved the issuance of 3,401,037,037 ordinary shares subject to preemptive rights and their placement through a public offering in accordance with the terms and conditions of the regulations. The transaction was unanimously approved by the Board of Directors of the entity in a meeting held on April 12, 2024. The amount and conditions of said issuance, as well as the respective issuance regulations, will be set by the same Board of Directors of the Bank.

- It was also announced that Banco Bilbao Vizcaya Argentaria, S.A. intends to provide, directly or indirectly through any of the companies that form part of the BBVA Group, 210 million euros as an advance for future capitalization in the equivalent amount in Colombian pesos, which will be allocated to the subscription of the issued ordinary shares in line with BBVA Colombia's growth strategy.

37. Glossary

- **The Bank**: Refers to BBVA Colombia S.A.
- **ANMV**: Spanish acronym for non-current assets held for sale
- **GMF**: Spanish acronym for levy on financial transactions
- **BRDP**: Spanish acronym for Disaffected Assets and Assets returned in lease contracts
- **COAP**: Spanish acronym for Assets and Liabilities Committee
- **CIB**: Corporate and Investment Banking
- **GANF**: Spanish acronym for Non-Financial Asset Management
- **EFAN**: Spanish acronym for Financial Statements of Business Areas
- **Apportionment**: This term refers to the distribution of operating expenses from the central departments to the bank segments.
- **Margin Call**: It is the notice given by the broker when our deposit level is very close to the minimum, or stated otherwise, that the guarantees are insufficient to cover the risk of our position.
- **TES**: They are National Government Debt Securities issued by the Government of Colombia to finance its operations and projects. These debt securities are issued through the Ministry of Finance and Public Credit and are acquired both by local and international investors.
- **AT1 Subordinated Debt**: Contingent convertible bonds, also known as CoCos or Additional Tier 1 Capital (AT1 in English), are a hybrid issuance, with debt characteristics (they pay interest to the investor) and equity features (they have loss-absorption capacity). These are perpetual instruments (without a specified maturity), although the issuer reserves the right to redeem the bond after a minimum of five years from its issuance. The payment of the coupon of this type of issuances can be canceled at the issuer's discretion (without it being cumulative). The main characteristic of this type of issuances is that, if certain conditions included in the issuance prospectus are met, they can be converted into shares. Among the most common issues is the CET1 (Common Equity Tier 1) ratio falling below a specific threshold. Therefore, these issuances are solely aimed at institutional investors. In compliance with a series of requirements, the issuance of AT1 instruments allows them to be classified as Additional Tier 1 Capital in accordance with current regulations (CRD IV). This regulation allows adding an additional 1.5% of capital requirements through these issuances.